

Lofoten Tourism Futures; actors and strategies
- MISTRA Arctic Futures Programme

**Merete Kvamme Fabritius
& Audun Sandberg**

UiN-report no. 3/2012

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Sammendrag Rapporten analyserer den historiske og kulturelle bakgrunnen for Lofoten-turismen og forklarer fremveksten av en særegen tursit-klynge i Lofoten bestående av overnattings-, kulturarvs-, opplevelses- og lokalmatbedrifter	Emneord: Lofoten, turisme, rorbu, kulturarv, opplevelse, lokalmat, næringsklynge, arktisk framtid	
Summary This report analyzes the historical and cultural background for the Lofoten-tourism as a typical Arctic tourism case. It explains the emerge of a unique tourist-cluster consisting of accommodation, cultural heritage, excitement and local food enterprises.	Keywords: Lofoten, tourism, fishermen´s chalet, cultural heritage, excitement, local food, tourism cluster, arctic futures	
Andre rapporter innenfor samme forskningsprosjekt/program ved Universitetet i Nordland:		

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Introduction

This is a report from the MISTRA financed project “Arctic Games – Interactive development and application of a transdisciplinary framework for sustainable governance options of Arctic Natural Resources (2011-2013)” within the Swedish MISTRA Programme; “Arctic Futures in a Global Context”. The funding of this program is related to Sweden holding the chairmanship of the Arctic Council in the period 2011-2013. The Arctic Games project is a cooperative undertaking between ENVECO (Environmental Economics Consultancy, Sweden), CEFIR (Centre for Economic and Financial Research, Russia), NES (New Economic School, Russia) NORUT (Norway), KTH (Kungliga Tekniska Högskolan, Sweden), SU (Stockholms Universitet, Sweden) and the UiN (Universitetet i Nordland, Norway). The project focuses on the dilemmas involved in governance of a development based on northern resources and the struggle of the circumpolar countries for crafting the most sustainable development strategies. This is summed up in the policy objectives of the Swedish Chairmanship:

- One objective is to promote institutional tools for prevention, preparedness and response when extracting oil in the Arctic in order to safeguard the special features of the region.
- Another objective is to develop guidelines for responsible entrepreneurship in the Arctic, which are based on existing internationally agreed guidelines on corporate social responsibility (CSR)

Within the Arctic Games project, the Lofoten region has been chosen as a case area that on a manageable scale can sensitize northern researchers to research questions pertaining to the greater Arctic area. Within a relatively small area, the Lofoten region contains almost all the dilemmas of northern governance. These spans from the exploitation and maintenance of the huge northern biological resources, to the sustainable exploitation of mineral and petroleum resources, to the balanced utilization of the “experience resources” – all of which can be analysed in the Lofoten area. In this report it is especially the tourist sector and its strategies for the future that is the theme.

In particular is the emergence of a new “cluster” of tourism enterprises analysed; this comprises accommodation, cultural heritage, experience and local food production which together make up a regional network that interacts closely and commit to each other. How this development model relates to other possible scenarios for arctic futures is then a question that is addressed in the larger Arctic Games project. Such alternative futures can be based on state dominated sectors, like a militarized North, or based on mega-conglomerates like the mining towns or the petroleum hubs of the Arctic. The small enterprise cluster based development model found in Lofoten tourism is also found in other Arctic localities with active local communities, like in Longyearbyen (Svalbard) , in Pasvik (Finmark) , and in the emerging Ecotourism clusters in Uмба and Kandalaksa (Kola Penninsula, Russia) .

We return to the theme of alternative futures in the final chapters of this report – (chapters 6 and 7). Here some of the challenges of scaling up the Lofoten experiences to the greater arctic policy theatre are discussed more in detail.

The Lofoten region consists of 6 municipalities. These are the lowest tier in the Norwegian governance system:

The easternmost municipality is Vågan, with the major city in Lofoten, Svolvær:

Fig 0.1: Vågan municipality



To the west of Vågan we find Vestvågøy, the main agricultural community in Lofoten.

Fig. 0.2: Vestvågøy municipality



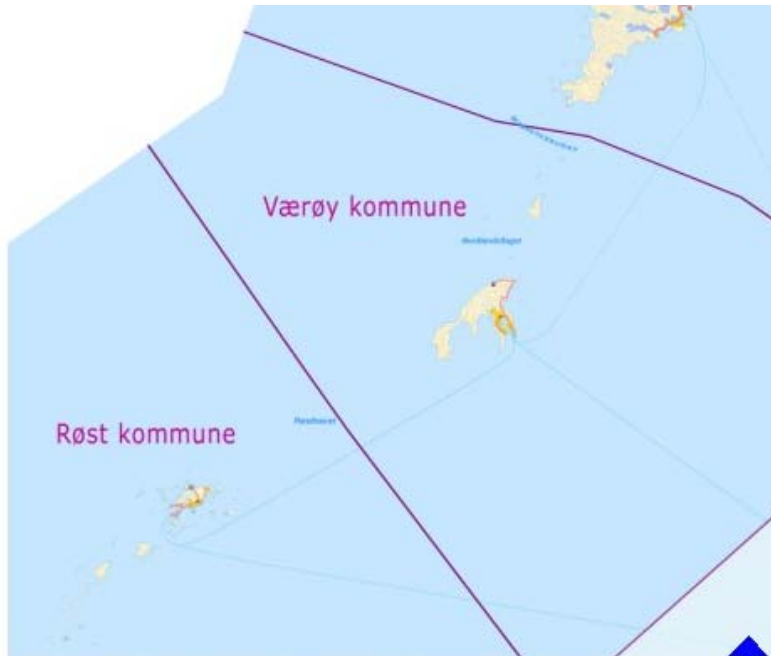
To the west of Vestvågøy, we find the two small municipalities at the “tip of Lofoten”; the Flakstad and the Moskenes municipalities.

Fig. 0.3. Flakstad and Moskenes municipalities



Still further to west, beyond the "tip of Lofoten" we find the two island municipalities of Værøy and Røst, the major fishing communities in Lofoten.

Fig. 0.4 Værøy and Røst municipalities



The Governance system of the Lofoten region is quite intricate, although the region has a relatively small population, only about 25,000 inhabitants. The Lofoten region is politically defined by these 6 municipalities, and together they comprise the "Lofoten Regional Council" (www.lofotraderet.no). These six municipalities have their own elected political council (kommunestyret), and their own permanent administration. Their areas of competence are educational services (primary schools), culture, health and social services, as well as physical planning and building permissions/control. The main legal framework for municipal governance is the planning and building legislation, which is of fundamental importance for the appearance of the fishing communities that constitute the special atmosphere of Lofoten. The picturesque sea-side heritage that attracts thousands of tourists to Lofoten every year can rapidly be ruined by fragmented planning or poor policies. On the other hand, both the fishing industry and the agricultural industry in Lofoten is constantly modernizing and will therefore demand different areas and different kinds of buildings. The municipalities are the main agents in transforming the traditional fisheries dominated sea-front areas into tourist areas and property development areas, while large flat wetlands are being developed into industrial areas, some of these to cater for modern fishing industry and agricultural

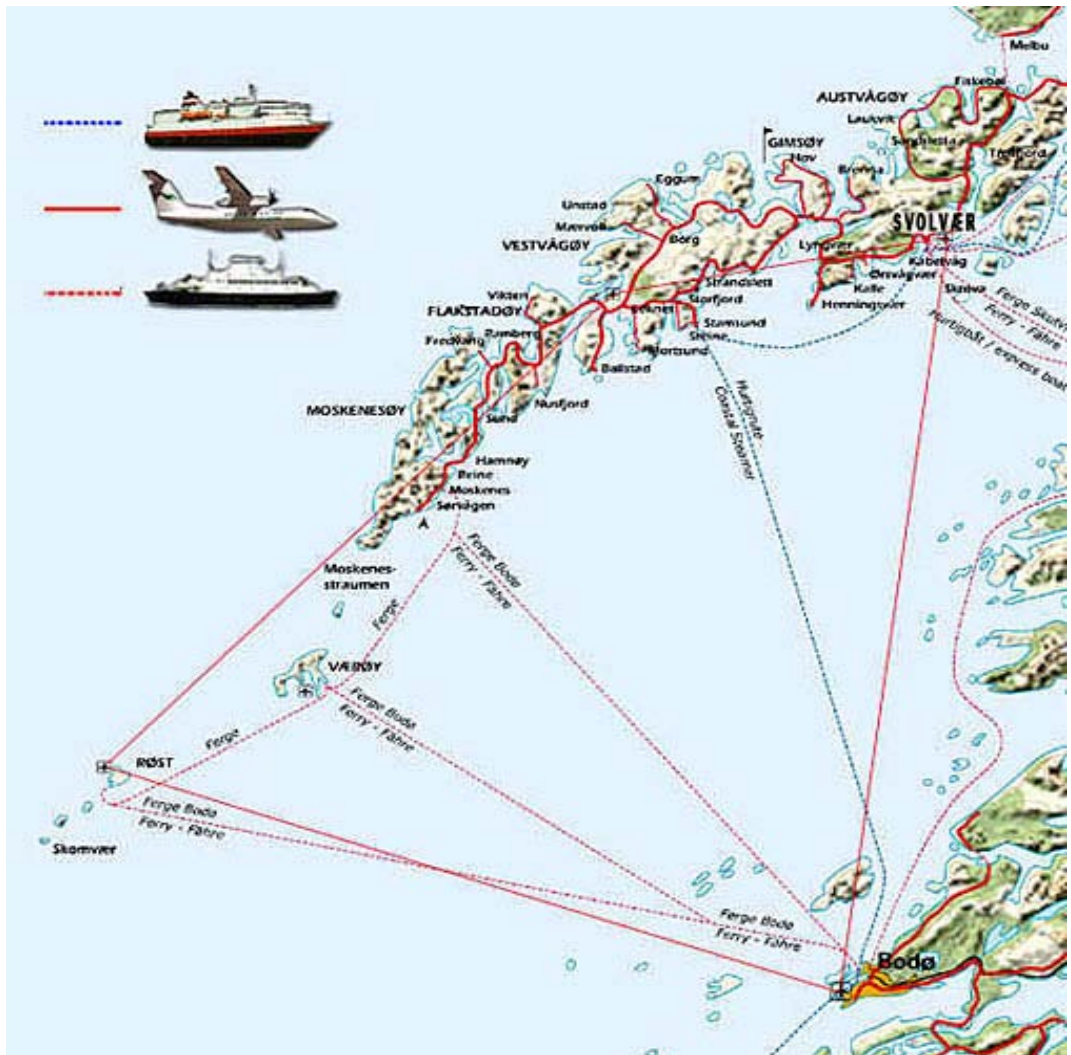
industry. The municipalities also shares with the national government the responsibility for maintaining cultural heritage and for the preparedness against oil-spills.

The Lofoten Regional Council is an association where representatives from the 6 municipalities meet and discuss common issues. It can also initiate inter-municipal cooperation and it can coordinate demands and proposals from the 6 municipalities to the provincial (county) or central government level. The council works on a consensus basis and no coordination or initiatives can be taken if there is disagreement between the 6 municipalities. There have often been such disagreements between the members of the Council, especially between the Eastern Lofoten municipalities and the Western Lofoten municipalities; typically there is disagreement both on the issue of Lofoten as a UNESCO heritage area, and on the issue of oil and gas exploration outside the Lofoten archipelago. Thus, the constitution of the Lofoten Council renders it politically impotent in many cases. On the other hand, the council administrates some state partnership funds for innovation, cooperation and start-up enterprises in the Lofoten area. In this way the Council can be used by central government as a platform for stimulating regional and inter-municipal cooperation in the area.

In addition to the Regional Council, there are a number of voluntary associations that works for development of the Lofoten Area as a whole. The most prominent of these are the Destination Lofoten AS, (see above) which coordinates all promotion of Lofoten as a tourist destination, booking and represents Lofoten tourism on the international markets (www.lofoten.info). But also Lofotenmat BA (www.lofotenmat.no), is an important actor in the region, with emphasis on promoting and developing the unique regional food-culture and special food products, both from sea and land. The 2nd tier in the Norwegian Governance system (the municipal level being the lowest -1st tier - and the National Government being the highest -3rd tier), is the county – or the provincial level. The Provincial Headquarter are located in Bodø, to which Lofoten is well connected, se Fig 0.5. This level has two governing agencies, the “*Fylkeskommune*”, which is run by an elected assembly, the “*fylkesting*” – and a state bureaucracy at the county level, headed by a Governor – the “*Fylkesmann*”. The Lofoten region lies wholly within the Nordland Fylke, which has chosen to organize its political work according to parliamentary principles, that means it has a separate provincial-government, “*fylkesråd*” based on the political majority in the provincial assembly. Apart from Nordland, Northern Norway consists of Troms and Finmark provinces further north. In essence, the *fylkeskommune* has the responsibility for development, schools, roads and cultural development in its county, while the *fylkesmann* has the responsibility for controlling the legality of municipal political decisions as well as environmental matters. The Arctic islands of Spitsbergen has a *Sysselmann*, with some of the same functions as the *fylkesmann*. Outside of these structures, the fisheries, aquaculture and coastal affairs sector have their 2nd tier organization, the same has the state innovation and industry promotion organizations. Taken together, the 1st tier and the 2nd tier

governance can imply considerable complexities, and obstacles to regional developments, where for instance vulnerable compromises worked out at the municipal and regional level, can be scrapped at the provincial level because of objections (*"innsigelse"*) from state sector representatives at this level. If two such state sectors in addition have opposite views on an issue, the municipality have a serious problem in furthering development in their area.

Fig. 0.5 The Lofoten connections



At the highest tier, the national government level, the various ministries of the government play different roles in relation the development of Lofoten as a region. This is parallel to the differing roles the sector ministries play in relation the greater theatre in the Arctic as this comes under national jurisdiction (Re St.meld 7 , 2011-2012). To take a few examples: the Ministry of Environment, and its provincial representatives, are in charge of conservation issues, including the establishment of UNESCO world heritage sites, not only in Lofoten, but in the whole arctic area under Norwegian jurisdiction. On the other hand, the Ministry of Oil and energy is responsible for policies regarding the opening of new areas for Oil & gas exploration. So if there is a conflict between conservation of nature/cultural heritage and the exploration of oil, gas or minerals, the Norwegian cabinet becomes the major coordination agency, while the 1st tier municipalities and the 2nd tier county assemblies are de-coupled from the political process. Thus, in Norway, it is the government itself that has to take the decision whether or not to start with an impact assessment study according to petroleum exploration legislation. The Ministry of oil and energy would be responsible for such an impact assessment study, while impact assessment studies for large nature protected areas are the responsibility of the Ministry of environment. This is therefore a cumbersome process and it is in the final analysis the Norwegian parliament (Stortinget) that will have to decide whether or not to open a new area for oil exploration. In cases where indigenous rights can be involved, also the Sami Parliament has to be consulted before the National Assembly makes its final decision.

As will be apparent from this report, the institutional set-up and the governance structure of the Norwegian North poses special problems to any analysis of possible futures for various kinds of resource utilization in the north. Tourism is no exception here, its growth and its strategies must be understood against a huge heritage of institutional path-dependencies (North 1990), a series of nature-given geological and ecosystem preconditions, and a heavy cultural heritage dating back to 400 A.D.

Chapter 1.

Lofoten through 1000 years – linking the Arctic and the Mediterranean.

The Lofoten–Barents region is located north of the Polar circle at the latitude of 66° 33' 44" N, as part of the European Arctic, at the "Top of the Earth". The beautiful and diverse Lofoten archipelago is situated in Northern Norway, in the county of Nordland, and is placed between the Arctic Ocean and continental Europe. The principal islands of Lofoten are Austvågøy, Gimsøy, Vestvågøy, Flakstadøy, Moskenesøy, Værøy and Røst. Most of these islands are internally connected by bridges and sub-sea tunnels, in addition to Lofast, a disputed 29 km road connection from the Lofoten archipelago to the mainland, completed in 2007. The islands of Værøy and Røst, however, can only be reached by boat or by plane, usually with regular scheduled flights and ferries from Bodø.

The majority of local population in Lofoten, today live on the south-eastern shore (the "inside") side, overlooking the "Vestfjord". During the tourist season, which is mainly in June, July and August, Lofoten is visited by approximately 300 000 norwegian and international travelers during a year, while the traditional Lofoten Fishery in winter, engage about 3500 fishermen from all over the country.

The coastal climate in Lofoten makes the summers cool and the winters mild. Due to the warmth of the Gulf Stream, which touches the islands on both sides, Lofoten has a much milder climate compared to other parts of the "arctic world", like Alaska and Greenland. The history of Lofoten, is a several thousand year old story about utilizing the rich, coastal and marine resources in the area. According to archeological findings people who came to Lofoten more than 6,000 years ago survived on both fishing and hunting in an area which provided excellent living conditions. At that time, all of Lofoten was covered by large pine and birch woods, and the islands were a habitat for a variety of animals like deer, bear, wild reindeer, lynx and beaver, and the sea was full of fish, seals and whales. In the Stone Age peoples life was based on hunting, gathering and fishing,

and the population probably did seasonal shifts in the landscape in line with the cyclical changes in the resource base. The transition to the Neolithic period was a fundamental change through the introduction of agriculture, and grain was harvested in Lofoten already 4,000 years ago. Fishing in the area for the purpose of making a living in a subsistence economy without an essential element of barter or trade is several thousand years old. People then began to keep domestic animals, grow food and other crops, and there was a gradual transition to permanent farming settlements, a process that took place over a very long time. On the coast the bulk of the population gradually subsisted on the basis of combining fishing, utilizing the marine resources, alongside livestock and some grain and cultivation of fodder. The fisherman-farmer had now entered into the historical stage and remained the typical Lofoten inhabitant right up to our own time.

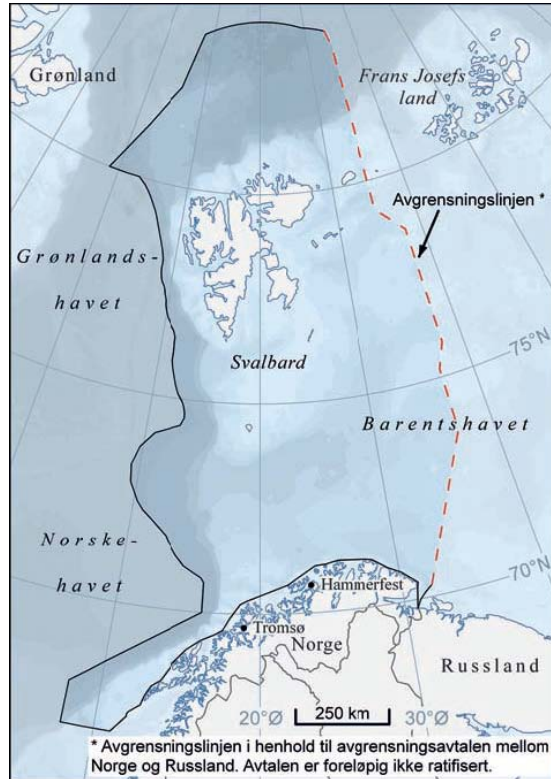
During The Viking Age (late 8th to 11th centuries) there was an emergence of several large chieftain seats in Lofoten. Archeological excavations in the 1980s uncovered toft remains from a Viking chieftain seat at Borg on Vestvågøy. These archeological findings contained the largest Viking guildhall ever found in any country. The building was 8.5 meters wide and as much as 83 meters long. A reconstruction of the building has been erected based on the archeological findings and is now the basis for the Lofotr Viking Museum at Borg, opened in June 1995. Already in the Viking age, fisheries were an important base for the power of these chieftains, and has since been the basis for economic activity in the Lofoten area.

The migrating skrei

The Lofoten – Barents system functions as a key habitat for large numbers of migratory birds, mammals and fish, and includes areas defined as particularly valuable and/or vulnerable by the Norwegian government (St.meld. nr. 8 (2005–2006). Based on scientific assessments, these areas are of great significance for biodiversity and the biological production, also for areas outside Lofoten. (Magnussen et al, 2010)

In the Barents Sea, large and important fish stocks such as cod and haddock depends on nursery areas and spawning grounds outside Lofoten, Vesterålen and Senja (Troms). Together they make up a macro-size closely integrated ecosystem (see Fig 1.1)

Fig 1.1 The Lofoten-Barents Sea Greater Ecosystem



Source: St.Meld nr. 10 (200-2011): Oppdatering av forvaltningsplanen for det marine miljø i Barentshavet og havområdene utenfor Lofoten

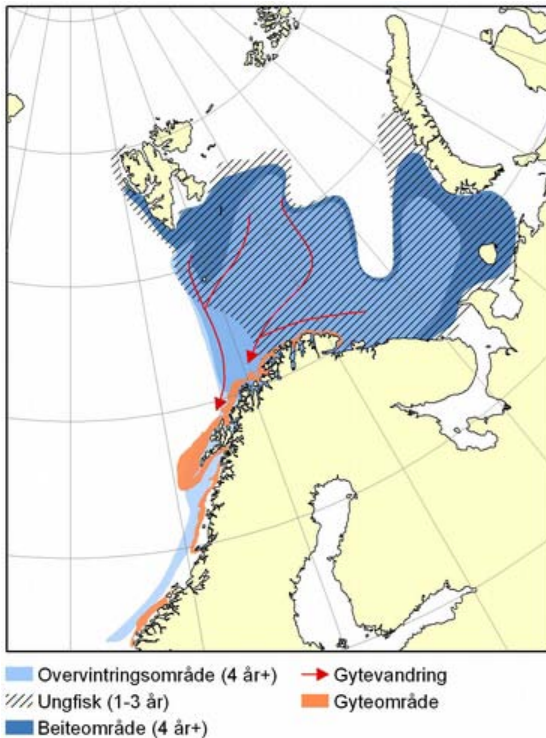
Every year, in December and January, millions of sexually mature Northeast Arctic cod (*skrei*) migrate from The Barents Sea to their spawning grounds located between Finnmark and western Norway (See **Fig 1.2**), but where the most important grounds are in Lofoten and Vesterålen, The ocean surrounding the Lofoten archipelago has huge eddies. Large proportions of the spawned cod eggs, and later on, the cod larvae, may stay for several weeks in these eddies, before they are carried north by the oceanic currents. (Sunnset, 2007). The narrow areas of the continental shelf edge outside Lofoten and Vesterålen is particularly rich and productive, and the area also acts as a massive conveyor belt for egg and fish larvae into the arctic sea. It is therefore particularly vulnerable for disturbances, whether they are climatic changes, mechanical installations or chemical pollution impact. (St. Meld.nr.10 (2010-2011), (Magnussen et al. 2010)

In the Lofoten, spawning takes place mainly on the so-called "inner- side" - in Vestfjorden on the south-eastern side of the Lofoten Islands. The fish has very specific

requirements regarding temperature and salinity in the water for spawning to take place. The cod spawn in the transition layer between the cold water brought by the Norwegian Coastal Current and the deeper, warmer water of the Atlantic Current. The temperature in this transition zone is 4–6 °C, and spawning takes place at depths of anywhere between 50 and 200 m. The exact course and cod distribution locally in Lofoten alternates from one year to another. In some years the bulk of spawning and fishing takes place in west, on the “outer side” - at Værøy and Røst, in Moskenes and Flakstad, in other years it takes place in eastern parts, resulting in a typical “østlofotfiske”, for example on the well-known fishing spot Hølla outside Lofoten.

The fry will not arrive in the Barents Sea until sometime in the autumn, because the “journey” from the spawning grounds in Lofoten to the Barents Sea takes several months. By this time they are almost 10 cm long, and they are starting to stay close to the bottom of the sea. Then the fish spend six or eight years on the rich arctic feeding grounds in the Barents Sea, before they migrate back to the coast of Lofoten as fully and sexually mature adults, where they spawn and start a “new cycle of migrating cod”(Sunset, 2007).

Fig 1.2, The skrei migrations



Source: St.Meld nr. 10(2010-2011):
Oppdatering av forvaltningsplanen for
det marine miljø i Barentshavet og
havområdene utenfor Lofoten

The Lofoten archipelago therefore has a crucial position in the larger ecosystem of the High Arctic, as the “birthplace” of the Northeast Arctic cod, and as the focal concentration point of this immense biomass that is formed on the basis of photosynthesis and food chains in the entire arctic area (Magnussen et al. 2010).

In addition there is Lofoten’s indisputable and more than thousand-year old position, as an important commercial and social link between the Arctic and the continental European regions. The export of the dried cod (the stockfish) through the Hansa trading network linked this arctic resource to Europe. Especially the links between Lofoten and Northern Italy has been strong since the middle ages, and these long standing relations are today an important factor in stimulating Mediterranean tourists to visit Lofoten.

Building on stockfish

The Lofoten Fisheries as a large seasonal fishery that attracted thousands of fishers is more than 1000 years old. The climate in Lofoten was eminently suited for the drying of unsalted cod, and in the sense of a commercial fishery for the purpose of export, the origin of the stockfish export is almost 1000 years. In Lofoten, an urban center for the dried fish export gradually emerged and “Vågar” near today’s Kabelvåg is the location of the only sizeable medieval town of the North Calotte.

In the middle ages there was an increasing demand for stockfish in continental Europe, in England and on the coast of the North Sea and Baltic Sea. This was a time of rapidly increasing population and especially a time of growth of a number of cities in these areas. The increase in urban populations stimulated the need for supply of food from outside areas.

In addition, religion played an important role; with the spread of Christianity to the whole of Europe, and the strict dietary rules of the Catholic Church. In Lent leading up to Easter and otherwise every Friday, it was not allowed to eat meat, while fish was accepted and this created a huge market for dried and salted fish.

Vågar seems to have had its peak period in 12 - and 1300 –century, but the profitable stockfish trade provided a basis for the gradual emergence of another Norwegian city that should dominate the Norwegian North for the next 700 years, the hanseatic city of Bergen.

The distance from the stockfish production area in Lofoten to the markets of England and the continent was too long for a direct trade to evolve based on the transport technology at that time, with boats that had to rely on wind and sails. Thus there was a need for a reloading and exchange place in foreign trade, with stockfish exported out of

the country, and grain and other goods imported into the country. From the middle of the 1200-century, English, Dutch and German traders arrived in Bergen to engage in trade. Eventually, the Germans organized themselves and were called the Hanseatic League. The main explanation for Hanseatic dominance in the Norwegian trade in the late Middle Ages, was their organization and capital, but we assume also that the Black Death have influenced the date of German establishment in Bergen. The plague killed a lot of people in Bergen, and it meant that the Germans could establish themselves in a void. The period after the Black Death also caused opportunities for great profits. This was related to the fact that Norwegian fish was in demand in Europe and the price of fish was good. Investing in Norway presented an opportunity for great profit. The hansa city also obtained “trading privileges” from the emerging kingdoms to all trade north of Bergen, and a ban on foreign ships sailing north of Bergen was enacted.

After 1350, and as a result of the Hanseatic dominance, the role of Vågar as a trading center was reduced to nothing, and Northerners began to transport their stockfish to Bergen themselves. This created “jektetrafikken”, by a small cargo boat, a transport system that lasted until the end of the 1800s.

The system worked like this: The fishermen went to the Lofoten Islands, at the time when the migrating cod from the Barents Sea (the skrei) arrived at the Lofoten shores. The migrating and spawning season was from January to Easter, just like today. The gutted cod was hung on the drying racks here, until spring and summer came and the fish was dry.

Fig 1.2 Cod on drying racks in Lofoten



Fig. 1.3: Traditional Nordlands-boat with dried cod cargo



Cargo boats came from the different districts in the north to the Lofoten Islands and loaded dried fish. Then they went off to Bergen for bargaining and trade. Each fisherman was associated with a particular trader in a patron-client relationship. These patrons (*Nessekonger*) pocketed a handsome profit from the provision for fish-trade and in exchange for goods and supplies for the next fishing season.

A trading expedition by boat to Bergen took an average of approx. two months. It could of course be a dangerous journey, and much was at stake, both cargo value and human life, at a time when no one had heard of insurance. When everything went well, they returned with grain and products of flour, cloth and dress material, gifts from the city to those who waited at home, but also new impulses and ideas. The shipping and the stockfish trade was both a commodity exchange, but also a giant cultural exchange that has had a major impact on the people on the coast for hundreds of years.

The Querini Voyage and Opera – 1431 – 2012 A.D.

We have earlier described the macro ecosystem of which the Lofoten archipelago is an important component. It stretches from Lofoten all the way to the North Pole. And we have explained how Lofoten is part of a macro social system based on stockfish that stretches from Lofoten to the catholic Mediterranean. This system dates back to the age of the great migrations, as archaeological excavations near the Borg Viking Museum, proves.

But it was one event that really put Lofoten on the World map and started the intricate system of stockfish export. In 1431 (60 years before Columbus sailed to America) the venetian trader/captain Pietro Querini sailed from Iraklion in Creta to Bruges, in

Flanders. He had altogether, 68 men who made up the crews of three merchant ships loaded with wine casks and spices that were intended for Western European markets. However, this standard journey lasted much longer than expected, from April 1431 to late autumn 1432, when 11 of the original crew of 68 returned to Venezia. They had a fantastic story to tell, one of the first recorded non-mythical stories from the High North that is now one of the foundations for the The Northern Lights Route which is part of The Council of Europe Cultural Routes. (These Cultural Routes are an invitation to Europeans to wander the paths and explore the places where the unity and diversity of our European identity were forged.) Here the Querini Voyage is described in this way:

“The vessels sailed into a terrible storm off the western coast of France and, completely off course, vanished from one another. In all probability, the ships were blown northwest of Ireland and Scotland. The storm ravaged the ships, and the sailors had to go in the lifeboats. They fought the storm and cold for weeks. Many men drowned or died of starvation and fatigue when, left to their own fates, drifted on the Gulf Stream far across the North Sea. Just after the new year, in January 1432 the survivors stranded on an island, amid the skerries near Røst, in Lofoten. They were found by local fishermen, after nearly a month, and eventually spent more than three months together with the Røst inhabitants. The return trip to Italy began in mid-May 1432. Having traveled by small but local cargo boats, loaded with stockfish, the first leg of their journey took them to Trondheim. The stormy voyage, shipwreck, the stay at Røst and the homeward journey are recounted by Querini and two of the men who accompanied him. “ (Northern Lights Route , University of Tromsø Library 1999)

In the words of Querini, the inhabitants of Røst were hospitable and lived in perfect harmony at the “end of the World”:

“From 3 February to 4 May 1432, we found ourselves at the first sphere of paradise, in great shame and dishonour on behalf of the Italian states. The men of these islands are the most flawless individuals one can imagine; they have handsome appearances and their women, too, are beautiful. Highly trustful, they do not bother to lock anything. Not even their women are looked after by them. This was easy to ascertain since we would share a room with the husband, wife and children of each household; and, conspicuous to all, they would undress before going to bed naked”

This is what Querini writes about the inhabitants of the little island near “Culo Mundi” - the edge of the world. Further, Querini mentions that these people are devout Christians, and, in great detail, he describes their fishing and stockfish production

Fig. 1.4: L'isola di Santi, Sandøya,



By may 1432, the eleven men, who by odd chance were found alive far out at sea, in Lofoten returned to Venezia. They could not thank and praise the local inhabitants of Røst kindly enough. The 120 inhabitants of this small fishing village had cordially welcomed the shipwrecked foreign sailors; and so warm was the native inhabitants' hospitality that it was duly recorded in the accounts which the Italians wrote. Here they are referring to their terrifying voyage and their stay at "L'isola di Santi" - salvation's island. **(Fig 1.4)**

Although not completely in accordance with historical evidence, this dramatic event, of more than 600 years, portrays Pietro Querini as the first exporter of stockfish to Italy. The local cargo boat he and his crew travelled with to Trondheim was already part of a long term stockfish export from the north to the south. But the incident was used in marketing through the centuries and was also used as a cause to strengthen the bonds of friendship and trade and industry between Italy and northern Norway. Through the centuries this export was increasingly better organised, with corresponding Houses of Trade in the North Italian city states and in Lofoten, with intermarriages between the merchant families and proficiency in Italian in among the Lofoten upper classes. Even after the Hanseatic League took control of the stockfish trade, and the cities of Bergen and Bremen grew rich, benefitted from the stoccafiso that 600 years later still is praised by the North Italians.

The non-mythical accounts of Querini did in many ways open up the "Grand North" to "rational explorers" who were no longer afraid of the "gates of Hell", the "Monsters of the Arctic" or "falling off the edge of the planet". In the century after Querini's involuntary visit to Lofoten, the North and the "Arctic" was gradually mapped by cartographers and scientists and the long period of exploitation of arctic resources could start. In the famous map by Willem Barentsz from 1599, the biological resource of the

Arctic are portrayed as the most significant arctic resource. It is no surprise that it was the fat of the arctic sea mammals; whales, seals and walrus that spurred the first phase of resource-mining in the Arctic. In many ways, it started with the Venetian visit to Lofoten.

Fig. 1.5: The biological resources of the North



Source: Willem Barentsz (d. 1597): Deliniatio cartæ trium navigationum etc. (414 x 563). Drawn by Barentsz, and adapted and published by Cornelis Claeszoon of The Hague 1599.

The 600 year history of Querini's miraculous rescue on L'isola di Santi is not forgotten. On the contrary, in the 21st century it is told over and over again, now both in order to stimulate the continued export of the certified "Lofoten Stoccafiso" to the North Italian market, and in order to attract Italian tourists to the Lofoten archipelago.

As part of the effort to create values from cultural heritage, a grandiose Querini Opera is composed and will be played on site in august 2012. This will attract thousands of people from all over Europe and retell the story of the Venetians' involuntary voyage to Røst over and over again.

Fig 1.6: The Querini opera 2012



The Sandrigo baccalà festival

Almost 600 years after the first encounter between Venetians and the local population at the tip of Lofoten, the relations between the municipality of Røst and the Veneto city of Sandrigo were formalized into a friendship city agreement between the two in 2002. The process of formalising this relationship started 70 years earlier (in 1932) with the erection of a monument in memory of the landing of Pietro Querini on Sandøy in 1432. In 1989 the mayor of Røst was attending the 2nd stockfish festival in Sandrigo as part of a stockfish promotion action. In 1990 a delegation from Sandrigo visited Røst and was introduced to the whole process of cod becoming stockfish. The people of Røst and the , Confraternita del Baccala (The Stockfish Fraternity) in the Veneto-region found that they have common interests in supporting the production, export and consumption of high quality stockfish from Lofoten. The fishermen and producers in Røst have an interest in securing an enthusiastic, critical and high-paying market for stockfish, and the consumers have an interest in a steady supply of the highest quality of their favored traditional food. An impressive number of actions have been taken to institutionalize this support for the continued demand for this 1000 year old product, and to forge a closer friendship between the peoples in the producing and the consuming regions – despite the long distance between them. During the 2nd stockfish festival in 1997, the Municipality of Røst was granted their own Piazzetta in Sandrigo, so that visitors from Lofoten to Veneto could feel that there was a bit of Lofoten in Italy. The year after, at the 70-year anniversary for Røst as municipality, there was a big celebration with a large delegation from Italy. Sandrigo was then granted its own “island”, Isola di Sandrigo – in

the Røst archipelago. On this island there is a monument of optimistic jumping tumblers, to remind visiting Italians to Røst that their 600 year old friendship will last for many years ahead.

Fig. 1.7, Isola de Sandrigo in Røst, Lofoten, with a sculpture of jumping tumblers, and Piazzetta Røst in Sandrigo, Italy



In later years sizeable delegations have travelled between Røst and Sandrigo, some even following the sea-trail of Pietro Querini in their own boats. School children in 9th and 10th grade have had successful exchanges. Every second year an Italian delegation visits Røst and every second year (alternate) a delegation from Røst visits Sandrigo to attend the Sandrigo baccalá festival, usually held during the last week in September. These festivals are attended by thousands of people from the Veneto region, and the Lofoten delegation, from the “home of the stockfish”, adds a special scent to the festival. During this Italian-Norwegian week there are performances, parades and exhibitions, and talks about the two nations and, in particular, about the twinned cities of Sandrigo and Røst in the Lofoten Islands.

In accordance with Italian culture, the Confraternita del Baccalá plays a crucial role in this festival and sees it as a the main opportunity to promote new ways of using the stockfish as a crucial ingredient in Italian cuisine. But still the traditional cooked cod with polenta is an important part of the food fairs during the festival..

To further strengthen the ties between the producers and consumers of the traditional stockfish, prominent citizens of Røst have been granted membership as Knights of the Confraternita del Baccalá in Sandrigo. These have a special responsibility to strengthen the ties between the major stockfish producing island in Lofoten and the most traditional baccalá consuming communities in the Mediterranean.

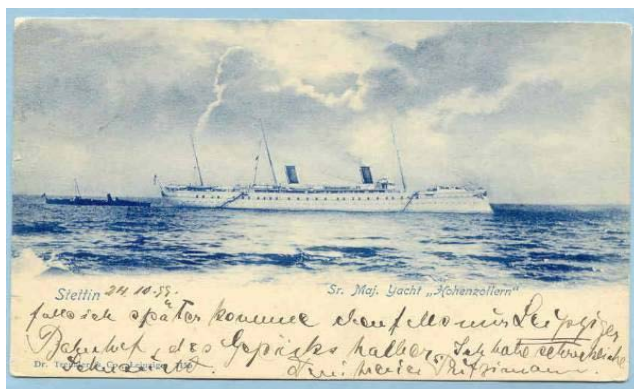
The migrating tourists

Already while Storvågan had its heydays as a leading fish trading city, we can assume that there was element of travel and “tourism” in Lofoten. Modern tourism in Norway, however, evolved first in the early 1800’s. Before that, there were few who were traveling for their own amusement, although there was some early research activity, which often resulted in detailed travel descriptions. Most people were traveling for a purpose and besides fishermen, traders and those who transported goods, it was often government officials, clerics and military personnel who traveled around the country. Mostly this kind of travel was required to help ensure the functioning of the Norwegian administration. Already since the Middle Ages, Norway therefore had a transport system (*skyss-system*) which secured the travelers transport over both land and sea. This transport was carried out by the Norwegian farmers, who was obliged to transport travelers for a certain distance, a duty required by law, and first repealed as late as 1924 (Fabritius 2010). Along the coast, most of this transport was carried out by boats. This duty of transporting travelers from place to place, most often by rowing, was a great burden to the local residents. (Molaug, 1989). However, the first modern tourists were also transported in this way.

In Lofoten boats have obviously been the main transport medium for centuries, developing from simple constructed vessels to more highly sophisticated equipment for the transport of both fish and humans. Several types of boats and ships have therefore provided the transport of both Norwegian and foreign goods and people, along the coast of Norway.

The German Emperor Wilhelm II's annual summer visits along the Norwegian coast from 1889 to 1914 was carried out by the luxury ship “Hohenzollern”. As many as 25 times the emperor visited Norway, with his magnificent ship, and his visit to Digermulen, at the south end of Raftsundet, is well known.

Fig 1.8 Postcard of the Emperor’s Ship Hohenzollern

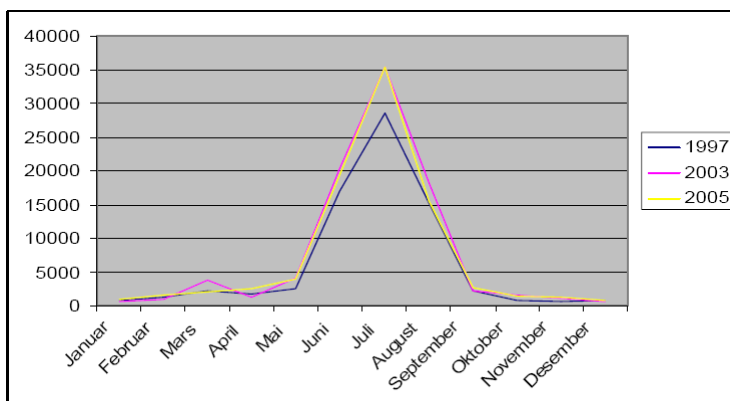


But Lofoten was already in 1873 visited by royal tourists. The Union king Oscar 2 visited Lofoten for a short stay both in 1873 and in 1903, thirty years later. It is a well known fact that the travels of both the emperor Wilhelm II, and King Oscar II ,had a great impact on tourism in Norway, as the places visited by the royalties almost automatically achieved authority as *attractive* destinations. (Jakobsen 1989)

Although there has been an increase in the Lofoten tourism through the years, it is characterized by the fact that most tourists spend short-time visits to the Lofoten Islands. 2/3 of the “road trip” –tourists are visiting as part of a larger round trip, and both the cruise tourists and the “Hurtigruta” passengers, usually stay in Lofoten for just one day. Therefore it is primarily tourists who live in cabins/ self-catering, with relatives and friends and in their own homes, who have long stays in the region (Destination Lofoten 2006). The seasonal pattern of tourist traffic in Lofoten is a function of the fact that the region is built up as a destination on an established tour structure in Norway, in summer. Norway is a long country with large distances to markets, and it is generally the longest vacations (7-20 days) people use for a travel to the Lofoten Islands.

The dominant feature in Lofoten tourism, is thus that the developments in recent years make the summer holidays even more dominant, while traffic in the shoulder seasons and winter does not increase, **see Fig 1.9.** (ibid)

Fig 1.9 Seasonal structure of the travel flows to the Lofoten Islands



The number of nights in the open year-round businesses with more than 20 beds, hotels, large cabin area with more. Figures for 1999, 2003 og 2005. Source: Nordland Reiseliv.

This is related both to established tourist flows in the northern Norwegian tourism, but it also expresses lack of competence, when it comes to improving and further developing the Lofoten Islands as a year-round tourist destination. (ibid)

Infrastructure

The development of the modern society has led to major changes in the potential for transport and to the tourism in Lofoten. Of major importance has been the coastal steamer "Hurtigruten". This is a sea route along the Norwegian coast from Bergen to Kirkenes, for the transport of goods, mail and passengers. A total of 34 ports are visited, and a trip Bergen - Kirkenes - Bergen takes less than eleven days. "Hurtigruten" has been a very important means of transport along the coast of northern Norway. This route started in 1893, from Trondheim to Hammerfest, and the first year "DS'Vesteraalen" from Vesteraalens Dampskibsselskab (VDS) was the only ship.

Today, the "Hurtigruten" is marketed as "The world's most beautiful voyage" with reference to the diverse Norwegian coastline. Another important trademark is that these ships often sail, even with weather conditions so bad that other vessels need to seek port. In his book "Hurtigruta" (Johnson, 1992) author Pål Espolin Johnson refers to the New Year's hurricane in 1992:

"At sea, the hurricane triggered dramatic rescues. Several ships ran aground, yachts and fishing vessels became wrecks in the rocks. In Ålesund the thousand-ton trawler "Atlantic" was thrown up on dry land. News reports informed that flight- and ship departures were canceled, and people were asked to stay indoors. Nothing was said about "Hurtigruten". It sailed as normal."

Hurtigruta was for a long time a very important part of the coastal community's infrastructure, both in terms of transporting mail, goods and passengers. But the rapid technological development has led to new forms of infrastructure, and therefore "Hurtigruta" increasingly has become more of a coastal cruise ship, for national and international tourists, especially in the summer season. Lots of tourists arrive in Lofoten by this coastal ship, some for a longer stay, others for a rapid visit on their way to other destinations further north.

The tourism industry in Lofoten, tries to take advantage of the fact that "Hurtigruta" has two different arrival points in Lofoten. In Stamsund, for example tourists are offered a 3 hour bus trip, including a visit at the Viking Museum at Borg, before they are transported back to Hurtigruta, now having arrived in Svolvær.

But it's not just the Hurtigruta that brings tourists to Lofoten. Many tourists also arrive with the large cruise ships, accommodating thousands of people. Up till now, the Lofoten Islands is in lack of proper port facilities for the largest of cruise ships. As a result these therefore must anchor up in the fjord, sufficiently far from land, with some negative consequences for the opportunity to go ashore. The tourist industry in Lofoten has therefore not been able to fully benefit from the cruise traffic to the area. Cruise tourism is also controversial, both in Norway and other countries. For example, many in

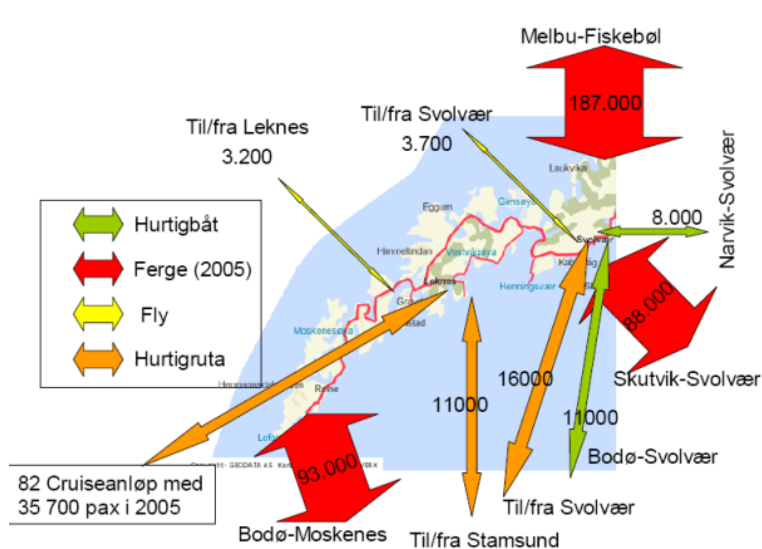
the Italian canal city of Venice is afraid of the environmental implications of allowing large cruise ships to come into the town's historic center. Cruise ships pollute water and air, and it also appears that cruise passengers often spend little money, and therefore have little impact on the local economy, when they go ashore.

According to the “Masterplan” the Lofoten communities consider an expansion of the port area as very important and plan Leknes / Gravdal, as the main cruise port to be developed in line with the increasing size of the ships (Destination Lofoten 2006). The question is how an increase in the cruise traffic will fit into a future sustainable tourism industry in Lofoten?

Some tourists arrive with their private boats, but Lofoten offers difficult weather conditions, even in summer, so the number of tourists in private yachts or sailboats are not extensive. Anchoring facilities, and other necessary services for tourists who sail along the coast, is available several places in the Lofoten Island area.

The majority of tourists arrive by private cars and/or buses. Although there is a permanent road connection between Lofoten and the mainland through “Lofast”, a large number of tourists prefer the ferries to the Lofoten Islands. There are several alternatives, but most tourists sail from Bodø to Røst, Værøy or Moskenes. For the tourists with no car, express-boats to Lofoten can be a good alternative to both Hurtigruta and the different ferries (Se Fig 0.5)

Fig 1.10 Tourist traffic entry and exit pattern, estimated volume(number 2003-2005)



Source: Masterplan , Destination Lofoten 2006).

As already suggested a lot of tourists go by private transport, but many also come here as participants in an organized trip, either in large groups or in smaller exclusive groups. Several Norwegian and foreign travel companies offer Lofoten as a possible destination, offering different types of activities and experiences.

Today Lofoten has two minor airports, one is located in Leknes, the other is next to Svolvær. Both are located near major centers in Lofoten. Neither of these airports can accommodate larger aircraft or charter traffic and they have only direct flights to Bodø, Lofoten and Vesterålen. Stakeholders representing both tourism industry and other industries in Lofoten, have promoted the need for extended airport capacity in this area. Today many tourists and business professionals are therefore forced to travel via Evenes airport outside Harstad for their destinations in Lofoten. In Norway Avinor is responsible for planning, developing and operating the airport network, and this year Avinor has presented their plans for a new major airport in Lofoten, located at Gimsøya in Vågan municipality. This proposal for a new localization accelerate this airport debate. In the perspective of oil and gas activity outside Lofoten and Vesterålen, it seems obvious that there will be great need for a larger airport capacity in Lofoten. At the same time a major airport will probably result in an influx of more tourists, maybe as many as 100.000 each month in the peak season. How this will affect the continuation of a sustainable tourism industry is still an open question?

More tourists will increase the need for accommodation, meals and other services related to tourism. The question is whether Lofoten will have the capacity for this without losing its distinct character.

Chapter 2

Home grown – the Lofoten fishing Commons and the rorbu institution

The atmosphere that sells: Images of the smelly fisherman’s chalet

The image of Lofoten is often synonymous with the simple fisherman’s chalet, the “rorbu”. The idea of a Lofoten holiday is for a large number of people identical to a “rorbu-holiday”, a period away from the stress of the big European city, in a simple cottage, near the edge of the crystal clear sea teeming with fish. Here you live the good life, disconnected from the world, fish your own fish from the veranda of the chalet and cook it fresh from the sea. This image of the simplicity of the holiday life in a self-contained chalet is one of the main ingredients in a complex bundle that together make up the unique attractiveness of the Lofoten archipelago. But the image of the simplicity of the “rorbu” does not only stem from its architecture and location at the waterfront. It is also because it is the carrier of the more than 1000 year tradition of the Lofoten fisheries. It is important to understand that these fisheries were not local fisheries, they were the “utilization of a regional commons”. Fishers from all over Northern Norway and parts of West Coast north of Bergen migrated to Lofoten between New Year and Easter to participate in this massive fisheries. During the Hanseatic period, foreign boats were not allowed to enter coastal waters north of Bergen and during 700 years the Norwegian coastal fishers together managed the rich Lofoten fisheries themselves (Jentoft and Kristiansen 1989) . During this long period fishers could not sleep onboard their open boats, so they either had to beach the boats, turn them around and sleep under them, or they had to erect primitive shacks or chalets ashore in Lofoten.

Through the centuries, different fishing communities on “the mainland” tended to cluster their chalets around certain harbours in Lofoten, thus creating seasonal local communities in Lofoten, often in a client patron relation with a “merchant king” who gradually became both the purchaser of the daily catch of fish and the de jure owner of the whole cluster of fisher chalet. As Lofoten has limited harbour facilities and limited building ground near these, the access to a chalet became the main factor in regulating access to the fish resources, thus keeping these fisheries sustainable for hundreds of years. Despite these limitations, the Lofoten community could welcome up to 40.000 fishers during the cod fishing season, more than double its own population. It is this capacity to receive thousands of fisher “visitors”, developed through 1000 years, that in later years is transformed into today’s even larger capacity to receive tourist “visitors” (40.000 tourists at the peak of the season in 2011). Thus Lofoten early got a better head start in Arctic tourism than any other arctic area, both due to its infrastructure and due

to its long history of welcoming seasonal visitors. A parallel could be the commercialization of the renting of lone fur trappers cabins on Svalbard for tourist who were willing to pay for the absolute and splendid isolation. But the volume of such a tourism development would never reach the magnitude of the Lofoten rorbu tourism industry, both because of the cumbersome logistics of travelling to these lone cabins, and because of Nature Protection regulations that prohibit construction of new trappers' cabins.

Although migrating fishers have their main season in January to April and migrating tourists have their season in June to August, the contemporary "rorbu" is not used in any kind of combination between the two user groups. The modern fishing boats have all the comfort needed, so that the fisher can shower, dine, watch TV and sleep onboard. The dependence on access to fisher chalets ashore is therefore no longer a factor in the regulations of contemporary fisheries, now each boat has its own quota, which can be caught when it best suits the fisher himself. The chalets in Fig 2.x gives a good impression of the original function of the "rorbu". It was basically a harbour shack with sleeping, cloth washing and cooking facilities. It provided storage space for drying nets and long-lines and working space for mending gear and preparing baits for lines and handheld lines. The architecture also provided racks for the drying of cod for "self-producing" fishers. The typical "rorbu" was not constructed for leisure activities; it was not well maintained and probably not clean at all times.



Fig 2.1 Traditional Fishers' shacks in an old Lofoten setting.

Although the old atmosphere of smelly fishers' clothes, drying fish-nets and drying cod is long gone, the combined use of these cabins for fishers and tourists was not widespread. Some of the old fisher's shacks were dramatically upgraded and rented out to summer tourists, but only along with a dramatically decreased use by fishers. The charges for rent of these cabins also increased dramatically with the influx of tourists, making the costs of seasonal occupancy prohibitive for fishers. Nowadays, hardly any fishers occupy a "rorbu" during the Lofoten fishery season any more, except for the participants in the "World Championship in Arctic Cod fishing" at the end of March every year.

Still, even without the smell, the attractiveness of the Lofoten "rorbu" is closely connected to the legacy of these as fisherman's chalet and to their use for activities related to sea and fishing. Without this genuine cultural legacy, and the image of these as a genuine part of a rich fisheries culture, Lofoten would not have been the popular tourist destination it now is.

The modern hotel rorbu concept

The modern "rorbu" that the typical tourist will rent today, is equipped with all sanitary, infotainment and other technical amenities that modern living requires. It is therefore no longer suited as a work place for preparing for fisheries and taking care of gear and catch after each day of fishing. But because the building regulations still allow the traditionally looking "rorbu" to be constructed in very close proximity to the sea-shore, the very location of it – and the continuation of the cluster character of the chalet - gives also the modern rorbu the attraction that the border zone between sea and land represents.

One important type of "rorbu" is the upgraded traditional fisherman's shack, located around a fishing harbour with a fish receiving station. Nowadays the fish receiving station is closed down and converted to a common area for the "rorbu" cluster, with a bar or a fish restaurant. In a few cases active local fishers with the help of wives and children have taken over such clusters and combine the running of a 10 – 20 "rorbu" unit with "deep sea" fishing trips for their guests on board their own fishing boats. (Source: Interview with a combined fisherman/fish-retail/tourist operator). This represents a profitable use of these boats in the summer season, which is low season in terms of fisheries. The main challenge here is the government regulations for certifying fishing boats to take onboard paying passengers, requiring considerable investments in security equipment and sanitary facilities. This is one obstacle that explains the low frequency of this potentially lucrative fisherman/tourist fisher operator combination. In some cases there has been a conflict over area use in harbour areas, as traditional fishers, and their supporters, claim that tourist development is displacing them from the needed sea-shore areas.

In many areas of Lofoten the combination of traditional rorbu and self-driven “boats for hire” have been tried out, but the wear and tear on these boats by incompetent tourist users tend to make this less profitable in the long run. The way the rules for “deep-sea fishing trips” with paying tourist are designed, the most likely development is towards specialized deep-sea fishing companies that have contracts with several fishermen with fishing boats. The company can then help with paper work for passenger certificates and credit for security equipment, and with joint marketing and booking. This would be a typical Lofoten way of organizing an emerging tourist activity. (See also chapters 4 and 6 for further examples of organizational innovations in Lofoten tourism).



Fig.2.2 Modern “rorbu” cluster with traditional appearance. (Photo; Merete Fabritius,2010)

But more common than the home-grown rorbu unit is the modern hotel type rorbu concept. These are relatively new-built clusters of 20-60 rorbu units, with reception and common areas for guests. They can be run as a family company, but are more commonly organised as a limited responsibility company with shares distributed among family members, friends and financial interests outside Lofoten. Or they can be organised as part of a hotel chain and will then often contain both ordinary hotel rooms and rorbu units with kitchen facilities. For the larger “rorbu-hotels” , ofte called “Pier-hotels” or “wharf-hotels” (“bryggehote”), the guests can choose to have breakfast, lunch and dinner in a restaurant and meet other guest in a hotel bar. Here the marketing and booking is taken care of both by the booking system of the hotel chain, and the promotion and booking system of the Destination Lofoten A/S company. This tend to have a double effect, so that it is easier for the first time visitor in Lofoten to find a modern rorbu in the “hotel rorbu” segment, rather than an enhanced traditional rorbu

in the family operated rorbu segment. On the second visit to Lofoten, however, a considerable number of tourists did during their first visit find their “favourite rorbu” and tend to book this well in advance of the coming summer season. It is well known that quite a number of tourist return to the same rorbu year after year and maintain amiable relations with the host family, just like the fishers returned to the same rorbu through the centuries before.

Year-round conferencing as tourism development

Most of the tourist accommodation facilities in Lofoten are seasonal. This means that they close down during the off-season – which is from September to May – making June, July, and August the only income earning months. Apart from financial costs and some minimal heating costs during cold winter periods, the rorbu units are cheap to operate during the off-season. For a family firm, labour is only hired during the summer months. Some units are also rented out at cheap monthly rents for long time guests, e.g. migrant labour like consultants, fish industry workers, carpenters etc. Thus the rorbu concept is flexible and well suited to the strong seasonality of Lofoten tourism. But there are initiatives to prolong the tourism season so that May and September are included. These “shoulder seasons” are valuable as they would prolong the season from $\frac{1}{4}$ of the year to nearly $\frac{1}{2}$ of the year. From nature’s side these months are well suited for tourism activities, in May the light is at its most intense and the landscape is freshly green with snow-capped peaks. In September the autumn colours are sparkling and the peaks might again be snow-capped. The main challenge is to attract the holiday-makers from southern Europe to spend their September holidays in Lofoten, here the use of the old stockfish tradition to promote modern tourism is a valuable element (cfr. Chapter 1).

Another strategy to prolong the tourist season is to try to catch a part of the “course and conference market”. This is a year-round market, which can utilize permanent staff in a rational way. But Lofoten is not centrally placed in terms of communications and travels to and from Lofoten take more time and are more expensive than travels to the larger cities in Northern Norway (e.g. Bodø and Tromsø). For a long time, the Nyvågar Rorbu Hotel was the only sizeable conference facility in Lofoten, in later years several “city type hotels” in Svolvær have been built by hotel chains to catch parts of this market. The Rorbu Hotels and the wharf-hotels try to market their course and conference products under the “Lofoten brand”, utilizing the special nature, the special light, the special culture and the special food traditions - as well as the ample opportunities for exhilarating outdoor experiences. One of the tourist actors that first branded Lofoten as an arena for special course and conference experiences was the “Great Life Company” that places great emphasis on genuine Lofoten elements in all parts of their product (see www.dvgl.no)

Although this strategy might seem successful, there are a number of challenges connected to the expansion of the “Lofoten course and conference” market into the future. It is now an “exclusive market” where participants pay a premium price for the Lofoten extras, and for the reputational value afterwards. If low-price hotel chains with high volume hotels in the Lofoten cities of Svolvær and Leknes start offering cheap conferencing with the Lofoten label, but without the spectacular light and nature of Lofoten, the image of Lofoten conferencing will fade and the region will lose its special attractiveness for seasoned conference participants. These are the same type of challenges that the actors in the local food segment are facing when trying to keep the brand name “Lofoten Food” apart from cheap copyists – or epigones (Schumpeter 1934), this is further discussed in chapter 5.

Property development, rorbu as investment

Closely linked with the construction of new clusters of rorbu cabins at the shoreline of Lofoten, is the development of a property market in Lofoten. As a result of tourism and demands for accommodation, many of the partially collapsed fisherman’s cabins in Lofoten has been restored and rebuilt by private enthusiasts. In that way, small fishing villages have been restored and kept alive, at least during the summer season. A good example is the fishing village of Nusfjord, which is considered to be the best preserved *fiskevær* (fishing village) in Norway. For several years a mixture of enthusiasts and investors has been restoring the buildings in Nusfjord, buildings which not only give insight into the area’s history, but many of which are still in use today. Here, the building complex has survived as a homogenous unit. No fires or intrusive elements of modern architecture, has deprived Nusfjord its traditional uniqueness. Under UNESCO’s Cultural Protection Act of 1975, Nusfjord was one of three pilot projects in Norway aimed at preserving and promoting areas containing unique wooden structures.

Some stakeholders find most pleasure in the restoration of these cabins and sell them afterwards to Norwegian and foreign “outsiders”, who use them not only for private purposes, but also use them as rental cabins. In this way, they contribute to the maintenance of important parts of Lofoten’s cultural heritage and characteristics. One can say that *tourism* has influenced the increasing restoration and preservation of the old distinctive buildings in Lofoten.

The access that the rorbu cultural tradition gives to waterfront location is attractive also for more modern investors. Developers and construction companies have been important in the building boom of rorbu clusters since the 1990s and it is only a short step for them from building for hotel chains to building for real estate agents. A large water-front cabin in Lofoten is rapidly becoming as attractive an investment object as coastal cabins in the archipelago of Stockholm, in Oslo-fjord area and on the coast of Helgeland. In addition to the local population of Lofoten, also urban dwellers from Norwegian cities are interested in investing in Lofoten cabins. An added incentive is that

with the massive influx of tourists to Lofoten during the three intense summer months, there is constantly a shortage of dwellings. The temptation is therefore strong for the owner to hire out her cabin to tourist for several of these weeks, to pay for mortgage, and utilize the “shoulder seasons” or the Lofoten fishing season herself. The booking and administration of these “private cabin tourist weeks” can easily be handled by the flexible rorbu cluster service centers and thus involves low transaction costs. In the years to come, it is expected that a large part of the increase in the number of summer beds in Lofoten might come from an increased availability of private cabins on the summer market.

Absenteeism as tourism development

Any development of private cabins represents an increasing problem of absent landlords. They might be living permanently in the nearest Lofoten city, or in another city in Northern Norway, or in a major Nordic city. Whether they are using the cabin as a second home or as an investment, they are not likely to be present there for more than short periods in the most attractive seasons. This means that for long periods during the year, these cabins will be empty. In cases where cabins are dotted along the coastline, this renders large coastal areas “dead” for long periods of the year. In cases where private cabins are more clustered around a harbour area or a cove, the effects of absenteeism is not so noticeable, these are more like a traditional rorbu cluster. It is therefore very much a question of how the contemporary municipal planning authority permit the use of the limited areas of Lofoten, what cultural legacy the built culture of Lofoten will represent for future generations.

Chapter 3. Making money from Cultural Heritage?

A programme for value creation on Lofoten Coastal Cultural Heritage

As shown in chapter 1 and 2, the Lofoten Archipelago is a very valuable part of Norwegian Coastal Culture. It was often the target destination of travels along the coast – the “nor-way” that gave name to the nation, and its long written history and material culture has created a cultural heritage that is unique in Europe. We have in chapter 2 explained in detail how one of the elements in this material culture, the traditional “rorbu” has been transferred into an multimillion income earning tourist business, at the same time as the cultural values of the built coastal landscape are being preserved by restoration and rehabilitation.

In the quest for development, there has often been a demand on the “conserved values” in the heritage to be activated in income-earning enterprises. A large national programme for the creation of values on the cultural heritage has been running from 2006 – 2011 and from this we can gain a lot of insights into this complex field (Magnussen & al 2011). In this programme, the “Valuable coastal culture of Nordland” was chosen as a “theme” in this programme and the two archipelagos of Vega and Lofoten was selected as the project areas. Lofoten was chosen because of its characteristic fisheries based culture that dominates both the coastal buildings and the coastline. Within Lofoten 24 buildings, two ships and 7 historical gardens have been rehabilitated – a precondition was that they all had plans for commercial after-use. This way of creating “cultural enterprises” through limited public funding was successful and will now be continued by the county authorities up to 2015 (Magnussen & al 2011).

What grew out of this programme was the awareness that any attempts to measure the effects of a value creation programme require a wider value-creation concept. It soon became clear that the conventional economic measures. Like benefits and value-added, was not appropriate to catch the full effect of the value-creation efforts. It as therefore suggested to use a wide concept for value creation on Cultural Heritage that can be operationalised in this way:

Environmental value creation includes the values of cultural heritage, cultural environments and landscapes as varied and diverse environments. In addition it includes the good and comprehensive planning and governance of the physical environment, sound resource management and energy use, i.a. through the re-use of old buildings and preservation of biological diversity.

Cultural value creation includes values like local identities, production of history and the use of this. It also includes local traditional knowledge, local symbols and pride as well as different forms of “cultural capital” related to the natural and cultural heritage.

Social value creation includes values like a perception of local community belonging, self-help and self-governance capability, cooperative spirit and capacity for finding cooperative solutions, networks and credible trust.

Economic value creation includes different forms of income generating activities, like securing existing enterprises and the development of new enterprises. It also includes innovation and local branding or protection of regional origin labels. Also the community trickle down effects of new enterprises, like inward mobility, is regarded as value creation, although it might involve the depopulation of a neighbouring region.

This way of looking at value creation is a “wide” - or comprehensive way to analyse societal values created on the basis of cultural heritage (Magnussen & al 2011). By making visible the local qualities and cultural resources, tourist entrepreneurs can more easily develop and offer experiences and tourism products that are genuine and has a credible content. But at the same time the evaluation of the cultural heritage value-creation programme shows that the development of enterprises, done in a sustainable way, contributes to environmental, social and cultural value-creation. There are numerous examples of interactions between different categories of tourism, culture, and “experience” actors: Lofoten has a number of art galleries and museums. Several artists both locals and artists outside the region, both the well-established and the lesser-known, exhibit their works in several places in Lofoten and this is an important contribution to the tourism industry. Likewise there are a number of museums that presents the diverse and exciting history of the Lofoten society through 2000 years. In Vestvågøy the Lofotr Viking Museum has utilized this in their cooperation with the “Hurtigruta”. The success of this has increased the understanding of the way Lofoten tourism actors can utilise the rich coastal culture of Lofoten for commercial purposes. But it is important to be aware of these four different forms of value creation and of the different effects each of them can have on local communities – as well as the composite effects the interaction between them can have. The best commercial effect can often come as a result of environmental, cultural and social value creation. Quite frequently we have found that the creation of one type of value, e.g. social values of cooperation, is prerequisites for economic values to be reaped by a tourist enterprise. In communicating the history of North-Norwegian Iron-Age, the Middle-Age, and especially the Viking-Age, this museum adds cultural value to the other elements in the “tourism cluster” in Lofoten, the hotels, the “rorbu” sector and the “exhilaration segment”. It is of significance that already then (400 A.D), the Lofoten Islands was an important place, due to the abundant fish resources. As previously mentioned, the museum acts as a chieftain seat, with all the activities that this required, including farming, and it is therefore an

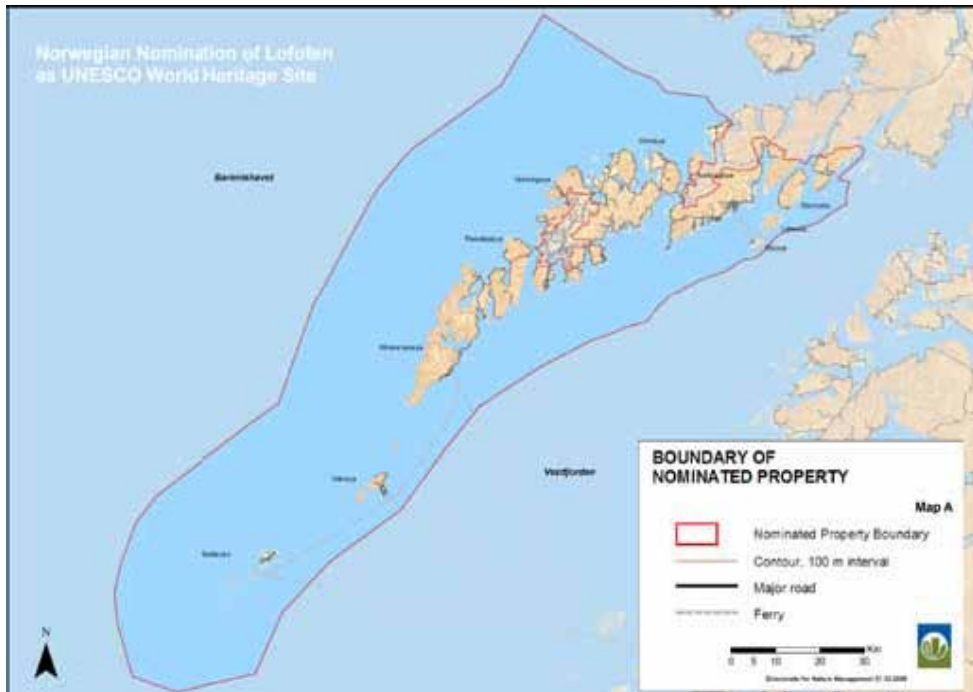
important mediator of culture. There is also the Lofoten Museum, where you can explore authentic environments from the 1800, and a Lofoten Stockfish Museum, the only one of its kind in the world.

At the Lofoten Aquarium, there is a chance to study the exiting marine life. Here is fish and sea mammals from Lofoten and the North Norwegian coastline, and tourists might gain some insight into the marine ecosystem, by exploring living creatures from their habitat by the water's edge to the deepest depths of the ocean. There is also a new vision in Lofoten, one of establishing a "Lofoten Fishery Heritage Center". This center is will convey information, activities, learning and experiences related to culture and tourism in the area and the region, and thus connect the many elements of cultural heritage with other value-creating activities. In this way, certain "clusters" of tourism enterprises can be explained by the support they give to each other in this kind of diverse value-creation.

Lofoten World Heritage, what is in it for us ?

The UN organisation for Education and Science (UNESCO) has a system for granting "World Heritage Status to "sites" and "areas" of special value to the global community. In Norway, the Vega eider-duck adapted coastal cultural landscape and the Fjord Landscape of Western Norway are already UNESCO world Heritage Areas. Lofoten Archipelago was early proposed as the third UNESCO area in Norway and in 2009 a draft application for World Heritage Status was prepared. (DN 2009). But this nomination process stopped in 2010 due to the intensified national debate in Norway over opening the areas outside Lofoten for petroleum exploration and the subsequent postponement by the Norwegian government of both conservation and exploration decisions until 2013.

Fig 3.1: The Proposed Lofoten World Heritage Area



Source: Direktoratet for Naturforvaltning 2009: UNESCO World Heritage Convention – Norwegian Nomination – Draft 2009 – LOFOTEN

The way the World Heritage question was “framed” gives us valuable insights into the ways northern resource questions are handled in the 21st century. At the national level there is the traditional opposition between conservation measures and exploration/extraction measures. This cleavage divided the national cabinet and was the main reason why both the official world heritage nomination and the opening for petroleum exploration was postponed. This dichotomous way of looking at the utilization of resources is also dominating the greater arctic policy field, including the policies of the Arctic Council. It easily becomes a question of either extraction or conservation. This national “framing” of the World Heritage question is also filtering down to the local level, so that even if local compromises could be found between conservation and extraction, these are precluded by the positions taken by national level sector agencies, by industrial companies, trade unions and nationwide non-governmental organizations. In this way a deadlock at the national level often produces a deadlock at the local level.

However, in this case we have an additional source of understanding the processes connected to utilization of both natural and cultural heritage and its connection to

northern resource extraction. In order to be nominated, a World Heritage area must contain some national protected areas. In the case of Lofoten 14 Natural reserves and 3 Landscape Protection Areas are already within the nomination boundaries. In addition there are plans for establishing a “Lofotodden National Park” on the outer, rocky pristine part of the West Lofoten, with its inaccessible coves and prehistoric cave paintings. This conservation initiative comes “from below”, from the local communities involved in various kinds of tourism and “experience enterprises”. This initiative is partly inspired by the possibility of the National Park being included in the World Heritage area and thus receiving the world wide attention and marketing boost of the UNESCO label. This process is in stark contrast to all other National Parks protection processes in Norway, they have all been initiated from centrally placed conservation ecologists and run by the environmental authorities. The arguments used here, and the local political debate about this proposal also represents a local framing of the heritage question that is unconnected to the larger national debate. The extent of the proposed National Park is shown in Fig 3.2.

Fig 3.2 Lofotodden National Park Proposal.



Source: Lofotodden Nasjonalpark -. Forstudie, Moskenes kommune

When a conservation process is initiated from below, the arguments are often different from a nationally initiated conservation process. Here the “cultural value creation” and the “environmental value creation” is often interpreted in local terms and redefined to suit a local context. The local debate over the National Park proposal is partly about setting aside areas for protection as against the use of areas for construction of holiday homes or the development of small hydroelectric power plants on mountain lakes and streams in the protection zone. There is a local shortage of suitable building ground in the western rocky part of Lofoten, and any further restrictions on the availability of construction sites is met with opposition. Interestingly, there is also opposition to the stimulus to tourism that the National Park will represent, in the “pre-study” estimated to 20 %. This might lead to higher prices on property and drive local, fisheries related enterprises out of business. A local Facebook group argues against an increase in tourism, and therefore also against the National Park. They claim that commercial “rorbu” development and higher prices on houses will make it more difficult for young people to establish themselves and thus destroy the West Lofoten fisheries communities. Instead of working for a Lofotodden National Park, the municipalities should use its political energy to strengthen the fish resource rights for young people who want to settle in this area and thus to secure the supply of fish to the local fishing industry. So while the fishermen’s association, the environmentalists and the tourist industry are in agreement on the national level in relation to conservation issues, the picture is more complex at the local level.

Co-existence of heritage and modernity

In the public discourse, the tending of cultural heritage and the cultural value creation is often regarded as synonymous with traditional activities and a backward looking attitude. While modernity implies large investments, shining technology and fast money. Especially in the North, these kinds of booms have been part of the modernization processes, both the harvesting of biological resources and geological resources have been characterised by technological breakthroughs, large profits and subsequent collapse when the resource was exhausted. Even the modern industrial wonder of northern aquaculture has this character of boom/burst cycles.

But as the Lofoten case is showing us, the opportunities for making money from the coastal cultural heritage are ample, and steadily growing. Compared to the more resource dependent industries of the early modern period, the value creation from cultural heritage is continuous as long as the heritage is taken care of and is attractive to visitors to Lofoten. Maintenance is thus more prominent than investments and the fundamental principle of the cultural heritage economy is sustainability rather than renewal, innovation and entrepreneurial profit. This is an important intake to understand the role of cultural heritage in the tourism industry in Lofoten: The cultural

heritage cannot be made to grow to any large extent, and innovations are limited to new ways of using the same heritage. Growth can therefore in essence come about only by increasing the number of couplings between existing heritage elements and other parts of the tourism industry: the accommodation segment, the restaurant segment, the local food producers, the transport segment and the “experience segment”. More “composite tourist products” using the same heritage base can provide for an increasing number of tourists to Lofoten, with a new international airport at Gimsøya expected to increase from a monthly peak of 40.000 to about 100.000. This increased number of couplings is one of the driving forces behind the emerging “cluster character” of Lofoten tourism, the actors experience advantages of cooperating with small specialized enterprises in other tourist segments rather than growing into large conglomerates where all kinds of tourism activities are incorporated. This marked network character of the Lofoten tourism is representative of the late modern period with complex structures and a high degree of connectedness (Bauman 2000). Rather than boom and burst cycles, this way of organising economic enterprises gives a high degree of flexibility in relation to changing tastes and a high degree of robustness in relation to shifts in purchasing power among large groups of European tourists. The coastal cultural heritage of Lofoten is therefore an important constituting element that to a large extent is shaping the strategies of the many tourist operators in Lofoten today. To the extent that industrial developments will diminish the value of this cultural heritage, whether that is petroleum industry, large shipyards or large fish-processing industry, these kinds of development will be deplored and modified by the actors in the tourism industry in Lofoten. The outcome is often that such developments will be located to designated industrial areas outside the major tourist areas in Lofoten, for instance to the two major cities of Svolvær and Leknes. Thus we can see that the national dramaturgical dichotomy of for or against a Lofoten World Heritage site – or for or against petroleum exploration, to some extent dissolve into pragmatic strategies at the local level. To a large extent these have the capacity to incorporate different varieties of modernization into a composite development that does not jeopardise the future of Lofoten tourism.

The Light, The Art and the Music of the Arctic.

It has been repeated over and over again that the coastal cultural heritage of Lofoten is depending on the continuation of active and living fishing communities in Lofoten, cfr. also the debate over the area competition between fishing activities and tourist “rorbu” activities (cfr. ch. 2). But modern fishing activities has developed to become very different from the kind of fishing that built the cultural heritage of Lofoten. The number of fishers participating in the traditional Lofoten fisheries is one tenth of what it once was, an increasing amount of cod is caught before arriving in Lofoten (outside Senja and Vesterålen) by modern boats that deliver to modern factories that does not hang the fish to dry to stockfish in open air.

The question is therefore whether fisheries alone can maintain the cultural heritage that Lofoten tourism is depending on? The answer is probably No, in addition to fisheries, there is a need for genuine commitment from numerous other groups to keep these coastal hamlets and their seaward culture alive. In addition to the commercial tourism itself and its “rorbu” trademark, artists of various kinds now contribute to the upkeep of both the material cultural heritage and the social life in these coastal hamlets. Lofoten painters have been an integral part of Lofoten culture since the 1850s. Attracted by the special light of Lofoten, through all the 4 seasons and combined with the dramatic landscape, they created art that is renowned throughout Europe. Their art attracts tourists to Lofoten, and once there, the artists find that visiting tourists constitute a growing market for their paintings, their carvings, their ceramics and their textiles. In addition to visual art, also music is now part of Lofoten cultural heritage. With the **special** light on the dramatic landscapes, the music assumes a special intense quality. The Lofoten Chamber Music festival is now an established institution, with a winter Chamber Music Festival in February, a Easter Piano Festival and a summer Chamber Music Festival. Through a gradual institutionalisation, these cultural festival contributes to the building of the Lofoten Cultural Heritage.

Chapter 4: Surfing the exhilaration

Arctic Surf and Midnight-sun Golf LINKS

The outer-side of Lofoten, facing the Norwegian Sea is as previously mentioned, the least populated area in The Lofoten Islands. There are however lots of startling natural sites, like the large sandy beach areas and flatter landscape suitable for all kinds of sports and recreational activity.

To some of these mostly, sandy beaches, the ocean provides waves of such quality, that they are well suited for cold water surfing. This was a resource that the local population did not utilize for the last millennia. But in the 1960's, and inspired by their surfing experiences in Australia, some locals, sailing abroad, brought back the idea that surfing could be done in Lofoten as well. But it was not until 2000 the surfing really became a more visible part of the tourism industry. Today surfing in Lofoten is very well known. Arctic surfing has become more and more visible in recent years, as a result of local enthusiasm and initiative, and not at least due to personal determination of a few key persons to invest time, effort and money in such a project.

Fig 4.1 Coldwater surfing, Unstad



Photo; Merete Fabritius, 2011

Some of the strategic initiatives that have been made by the owners of the surf-company to become an attractive part of the Lofoten tourism have been international

networking. This is done partly by linking up with international partners and sponsors and by presentation and marketing in major international surf venues. It has also been done by arranging large local surf- competitions with a number of internationally renowned surfers participating.

So far, this business runs without any support from public authorities. The strategy of these actors is therefore to try to increase the local public authority involvement in this part of the tourism industry. This includes among other things, the efforts to ensure the sustainable use of beach areas. Sanitation, for example is an important task that is now mainly taken care of by the local surf company, although the beach is part of the Commons of Unstad. The plans for increasing activity in the area therefore emphasize the importance of more municipal involvement, not only for the establishment of suitable toilet facilities and waste management, but also to ensure a sustainable and suitable access to the beach area.

As part of the strategy in this business is the awareness of operating in a sustainable manner, the actors have made a series of conscious choices, regarding the purchase of crucial equipment for their business and rules for the use of The Unstad Beach Commons. This surf activity has also contributed to in-migration to the municipality. In one case, this was key individuals, with great passion for surfing, who for this reason was recruited to the local community.

Other Lofoten actors have focused on golf sports, as a part of the tourist industry, and have therefore constructed a 9 - hole golf links close to the sea. The goal is to expand this to a full 18- hole golf course. This is a demanding and challenging Golf links, because here the sea is an integral part of 8 of the 9 holes. The tourists in Lofoten, can therefore experience a golf tournament with an overview of the Norwegian Sea, and with 24 hours of daylight, due to the Midnight sun. This golf course has often been compared to well-known Golf links in Scotland, but the difference is that this golf links are on the 68th parallel of northern latitude.

The goal is to make this an exceptional experience, and the unique location of the golf course is part of the strategy because few, if any, golf courses can offer similar combinations of golf and magnificent scenic surroundings. Close to the golf course, a new hotel is now under construction. This hotel is scheduled for completion in 2013. The goal is to make this an Adventure Hotel for the high end of the tourist market. It will be based on the proximity to the sea, the varying weather conditions, the diverse landscape, the midnight sun for two months in summer, and the arctic light, the polar night and the northern lights in winter. The strategy is to exploit the rich natural capital in the area, and to create a profitable all year round-business based on exhilarating Lofoten experiences.

Fig. 4.2 Lofoten Golf LINKS



Photo; Innovative Experiences

The growth of the excitement sector in Lofoten

The current tourism industry is multifaceted, as tourism has experienced continued growth and increasing diversification over the decades and now is one of the fastest growing economic sectors in the world. This growth runs parallel to increasing diversification and competition among the different tourist destinations (UNWTO).

Lofoten's tourism has grown steadily in recent years. From 2000 to 2008 the number of employees in the tourism industry increased by 125, equivalent to 26.8 percent. On a national level, growth in the tourism industries has been only 13.9 per cent. Lofoten tourism industry thus has experienced almost twice the growth of the tourism industry on a national basis (Vareide, 2009). There was a slight increase in the part of the tourism offering accommodation, and a slight decrease in the café- and restaurant industry, but a significant growth in the rest of the tourism industry. This is the part which for the most can be characterized as “*experience tourism*”. Both in Lofoten and the rest of Northern Norway, it is the experience industries that is increasing most rapidly. (ibid)

Yesterday's tourist activities in Norway were largely based on visual, passive admiration of the beautiful landscapes, mountains, fjords, glaciers etc. Today's tourists request activities and experiences within many different categories and at different levels of challenge, as part of their recreational vacation (cfr-ch 5). To maintain and increase its position in the market, Lofoten's tourism industry has largely responded to this, by an

innovative approach to developing a variety of services to match the demand. The establishment of both Destination Lofoten and LofotenMat BA, is part of these Lofoten community-based strategies, to help and inspire the population to create and develop activity- and experience categories that increase the attractiveness of the area. This facilitates cooperation, information exchange and networking. This may be an important social capital in the effort to develop strategies that can strengthen Lofoten in the competition with other national and international destinations.

“Experiences in the High North”

In addition to the innovation and networking of the “Experience tourism operators, there are in several Arctic countries large Research Programs designed to aid the growth and profitability of this new branch of tourism. One of these is the Norwegian program “Northern Insights” (Opplevelser i Nord) which is run by a consortium consisting of the University of Nordland (UiN/HHB), University of Tromsø (UiTø), Harstad University College (HiH), Nordland Research Institute (NF), NORUT Alta and The Norwegian Institute for Agricultural and Environmental Research (Bioforsk). The program is funded through the The Research Council of Norway (Nordsatsing).

It is a sign of official appreciation of the future role of “experience tourism” that “Northern Insights” is a project where the main aim is to:

“.. carry out high quality research into (1) service innovation in experience-based tourism and (2) co-creation of values for companies, consumers and the tourism and experience industries in Northern Norway. (www.opplevelserinord.no/)

The goal of this research is thus to increase the development and strengthening of the experience-based tourism industries, in terms of competitiveness and sustainability. In order to contribute to this, a part of the strategy will be to establish a strong system for the exchange of information. The sub goals for the project explains this strategy more in detail as the task of “generating research-based knowledge that forms the basis for innovation, adding value and business development, and to strengthen existing networks and cooperation and to develop new networks and cooperation through extended research cooperation. (ibid).

In addition it is a goal to increase the attractiveness of the consortium research institutions as arenas for study and research, as well as partners in R&D collaboration. By creating centers of competence for “experience tourism”, the aim is also to promote the education of highly qualified candidates and relevant knowledge to both the tourism industry and the public sector. (www.opplevelserinord.no)

In this research program (Northern InSights), there are three Work Packages, containing a total of 15 sub-projects, focusing on 1. Innovative and competitive tourism companies in the North, 2. Adding value through tourist experiences and 3. From resources to tourist experiences." (www.opplevelserinord.no). All of this research takes place in areas that are related to the High North and comparatively similar areas.

Research shows that what we remember most from our vacation are those situations and circumstances that call upon the most emotional experiences or engagement. As part of the "Opplevelser i Nord" project, a doctoral thesis project at the UiN Business School tries to increase the knowledge of what happens at the very moments when tourists are completely immersed. This will give us increased insights into how these moments are socially constructed, and when and why they occur.

As we see there is an increasing focus on the *experience* both in the tourism industry itself and in publicly financed research. According to Pine and Gilmore (1999) this "*experience economy*", represent a new economic era; The experience industry is taking over from the service industry as a result of the development in capitalism itself, as capitalism moves through specific stages towards an ever higher level of abstraction regarding the character of the product (Gran and De Paoli, 2005, in Paoli 2006). Experience economy is here an overall term for the creative industries, developed by the "creative class" in cities and towns with a rich cultural life (Paoli, 2006).

Experiences are in this context intangible products that offer access to activities and facilities that are intended to evoke the customer's emotions and sensations. The experience occurs and becomes "co-created" through an interaction between the experience, knowledge, preferences, personality, etc. of the customer, and the experience facilities and activities provided by the vendor. In the perspective of tourism, the experience economy emphasize that adventures and experience industries are important as content, attraction and brand building in the development of the tourism sector. Accordingly, the purpose of the experience economy is to increase the value of tourism industries and destinations by using all kinds of experiences, and to use experience as a central attraction in the marketing of destinations. The purpose is also to renew the tourism industry as a practice and as a scientific discipline.

But it is important to be aware that experience tourism cannot grow infinitely. Some of the experience is closely connected to a sense of freedom and solitude. If experiences has to be enjoyed only after waiting in a que, this undermines the whole purpose of a "special experience". Thus there will always be a limit to the possibilities for increasing the volume of experience tourism.

Innovations, Entrepreneurs and epigones :

An ever-growing tourism, with an increased competition between the world's various destinations, stimulates increased innovation and entrepreneurship within the tourism sector. Tourism innovation has become an increasing political priority, and innovation in tourism has recently also become an important issue in research, as shown in the example above.

In general innovation is defined as;

“Innovation is the search for, and the discovery, development, improvement, adoption and commercialization of new processes, new products and new organizational structures and procedures.” (Nordin, 2003:27)

Areas of innovation can therefore be divided into 5 categories like the areas of product, process, management, logistics and institutional innovation. (Hjalager in Nordin, 2003) Innovation in Lofoten Tourism Industry, often occur as the establishment of small scale businesses in the search of income and profit. Some of these companies start out as family-based tourism industry, and sometimes in combination with traditional fishing industries. This type of company might base their activities of the labor of their own family-members, or expand to a larger company that eventually will need more employees. Some of the family-run companies find that younger generations of the family make other plans for their lives than participation in the family business. This can become a critical factor especially when continued competitiveness and operational capacity requires modernization or innovation on several levels and not at least substantial new economic investments.

Other firms have started as the results of local engagement and enthusiasm, and with innovative use of previous unused natural resources, as in the example of the surf camp or the establishment of the golf links. Regarding to the surf camp, we can also see that its success demands further institutional innovation, but now at the community and municipal level, in order to regulate the access and use of the adjacent beach area.

Both the Surf camp and the Golf Links are examples of entrepreneurship, utilizing a completely new niche in the tourism industry market in the Lofoten area, and they can take advantage of an entrepreneurial profit. Any epigones within the same niche will clearly have to exercise greater creativity in the innovation of activities and services to compete with the pioneers businesses. This will require expertise and competence not only related to product innovation, but also in all other innovation categories listed above. One example of a recent creative innovation in the Lofoten-industry is “XXLofoten”, which has founded its business on a new combination of activities to provide thrilling new and good experiences. In this case the business offer both skiing and sailing, and utilizes natural resources related to both sea and land in a slightly

different combination to attract customers through a longer season than other enterprises. .

To develop a competitive tourism in the Lofoten area, a continuous development of diverse competencies and skills are thus required in all the five categories of innovation mentioned.

The sustainability of the goosepimpel economy?

As mentioned above the experience economy is based on goose-pimple experiences. This puts great demands on the creativity in innovation, on organizational capability and on the quality of the “products” presented to the tourists. The Golf Links is one example of the interaction between human creativity and natural resources in the Lofoten Islands in the attempt of creating high quality and powerful individual experiences. This is a very professional example for a clear niche in the market that most likely will bring success. This company was also rewarded with a prize in a competition announced by Destination Lofoten.

A tourism industry that is based on experience economic principles will depend on the tourists' presence, both physically and mentally, because the experience in this context are the experiences that occur at the interface between the activity and the individual on the basis of their knowledge, values, personal qualities etc. The whole image of the “Experience” emphasize that this is a personal, unique individual experience. The various participants may therefore have completely different perceptions of the activity, event or phenomenon in the specific context. Here the image of Lofoten's authenticity, its natural resources and the lasting impression of purity is important in the creation of an immersion in the experience. Strictly speaking, if the experience is limited to the “Lofoten packaging” of a conventional product, it will most probably not have success in the increasingly competitive experience market.

The question is now, how can this be done in a lasting and sustainable manner?

One alternative could be to transfer the procedures that have already been implemented, like the procedures in the little fishing village of Nusfjord. Here visitors must pay entrance fee to get into parts of the area and they are also informed that this fee is introduced to ensure financial support to maintain and further develop Nusfjord. All guests must therefore pay NOK. 50, - for "Nusfjordpasset" (“The Nusfjord passport”) that applies for the entire year. This minor financial outlay, may contribute to a reduction in the number of visitors though, but hardly on a scale that is of great importance for the economic situation.

Other alternatives might be to impose restrictions in the access to certain areas. On the one hand, access could be prohibited in total or in part, in selected areas considered particularly attractive visually, and/or particularly vulnerable in terms of ecosystem services at certain periods. This practice has been common for sea-bird rocks during the bird's nesting period.

On the other hand tourists can be positively channeled to certain areas to save other areas of greater importance. However, such local restrictions in access will require innovation in terms of both infrastructure and institutional framework relating to human traffic. In this process, the "right of access" (allemannsretten) can be put to the test in such a context.

Some areas in Lofoten might be naturally well suited for channeling because of the landscape features themselves, as we for example can see in several places in western Norway; Briksdal in inner Nordfjord is an example of how nature itself contributes to the channeling of tourists to the glacier, thus preserving other nature areas and prevents wide-spread wear and tear, despite the 250 000 annual tourists. (Fabritius, 2010) In Lofoten, it should not to be forgotten that nature itself has created limited access,. The landscape that forms the outer-side of Lofoten, makes this part of the island almost inaccessible -- or available only for individuals with special interests in rock climbing or kayaking and the accompanying knowledge and skills. In this way nature itself contributes to the sustainable use of some areas. However, also this more extreme variety of experience tourism is increasing in volume, and it might in the future be necessary to create protected areas in order to safeguard what remains of pristine nature areas. The proposed Lofotodden National Park is part of such a strategy (cfr. Ch 3)

Chapter 5: Local food from local resources.

We all know from travels abroad that food might be an important part of the total travel experience. New products, local specialties, new combinations of raw materials, and new exciting flavors, in addition to both knowledge and the history of local food, provide an extra dimension to any holiday. There are increasing markets for traditional and new local food, and many stakeholders, including politicians, aims to put this on the agenda as a larger part of the tourism industry both in a local, regional, national and international context (Brekke, 2009).

These signals have also been taken seriously in the Lofoten Community. Initiatives have been taken to promote and highlight local products and local food production. In this context the cooperation Lofoten Mat BA, is an important player. Since 2000 local actors have worked to promote what has been called the Lofot- mat (Lofot- food), and the interest in the Lofoten region has been great. In 2007, LofotenMat AB, was founded as a cooperation consisting of 62 shareholders. The proportion of members has increased steadily since, and in 2011 the number of shareholders was 87. This cooperative has had to compete with the nationwide NORTURA agricultural cooperative and this poses a serious challenge to the local food branding.

In relation to tourism, this association aims to promote Lofoten as a food region, where local products and the quality of the Lofoten produced food should be highlighted, and become a very vibrant part of the tourism industry in Lofoten. This includes the strategy of making local food part of the cultural experiences and the intention is to increase the utilization of local food in the local café- and restaurant- industry and also create a venue for trading local food in the local stores in Lofoten. In this way, Lofoten Mat BA hope to reach both residents and tourists, thus achieving increased demand for locally produced food in all categories, where the stockfish must be said to be in a unique position.

The Lofoten stockfish in the 21st century

The Lofoten area still is a key player in the Norwegian stockfish production, and as an example, Norway had an overall stockfish export of 6,526 tons in 2005, and of this, 3,336 tons came from Lofoten. Until 1910 there was, with few exceptions, more than 20 000 fishermen in Lofoten every year. From 1880 to 1900 there were about 30 000, and from 1930 until the beginning of the 1950s, the figure was again over 20 000. From 1954 the number fell steeply, and in recent years there has been only about 3500 - 4 000 fishermen to ensure that the main market Italy, get adequate amounts of stockfish. Italy

alone purchase 2,620 tons, while other important markets are Denmark, Croatia and the United States.

“Tørrfisk fra Lofoten” (“Stockfish from Lofoten”) is a protected geographical indication in Norway (2007). For lots of people, the hanging dry fish is the symbol of the Lofoten Islands, as stockfish has been an important commodity in Norway for over a thousand years. *The Norwegian Ministry of Agriculture and Food* has, by *The Norwegian Agricultural Quality System and Food Branding Foundation (KSL Matmerk)* started the process (2011) for “Stockfish from Lofoten” to achieve the status as Protected Geographical Indication (PGI) in the EU. The aim of this “certification” is to contribute to a greater food diversity and value creation by stimulating regional and local food production. This ensures the consumer reliable information about the product’s geographical origin, tradition, and unique qualities. In this way we also take care of important knowledge about Norwegian food and cuisine. As a tourist attraction the stock fish must be available for purchase. The question is where in Lofoten the tourists can buy this fish in the quality they want? And as Lofoten is associated with fish, where can people buy all kinds of fresh seafood during their stay in Lofoten?

At least one distributor in Moskenes has directed the attention especially to tourists, offering countless varieties of local seafood, especially in the summer season. This includes both fresh cod, pollock, redfish and catfish, fresh salmon, clipfish, char, shellfish, fresh shrimp, smoked salmon, whale steak, smoked whale meat, and seagull eggs including amounts of stockfish. Here the fish is sold in beautiful surroundings, and in an atmosphere reminiscent of past fisheries, which in itself can create a goose-pimple experience.

Fig 5.1 The sale of stockfish and fresh fish to tourists



Photo; Merete Fabritius 2010.

Another important question is how is the stockfish represented in the café and restaurant industry in Lofoten? Some restaurants market themselves by being very fortunate in terms of the availability of fresh fish, and how the chefs can pick the fish of the best quality. They also proudly announce that when serving lutefisk, boknafisk (semi-dried fish), stockfish or fresh cod, they can guarantee that the fish delivered from the local fisherman, is refined, leaning or hung on racks and served - locally. An important part of the strategy is also to emphasize this as *arctic* fish and serve this in a pier atmosphere with the scent of tar and rope.

A simple and easily detectable access to the purchase of seafood, fresh fish or stockfish for their own cooking or as part of the catering service in restaurants is part of the strategy to attract tourists, even if it is also a goal to reach Norwegian and international tourists with the unique Lofoten-meat products.

The Lofoten Lamb – the sheep, the goats, the beef - and their landscapes

It is important to note that Lofoten Islands is not to be associated only with its fish resources. The rich grazing resources in the area, stretching from the mountains to the shore, contains a large number of nutritious herbs and grasses. This provides opportunities for greater production of milk, lamb and cattle.

Fig 5.2 Lofoten Lamb?



Lofotlam BA was established in 2001, and is a cooperation of sheep – farmers, producing lambs. The excellent grazing resources in Lofoten is important nutrition for the sheep population, and as a result of the interplay with the other excellent environmental growth conditions, the lambs from this area are known to be more fleshy and tasteful compared to lambs from other parts of the country. Because of this unique meat quality, the Lofotlam BA has started the process of securing “Lofotlam” as a protected geographical indication in Norway.

However, due to lack of agreements with the landowners, large rich grazing areas in Lofoten are unutilized. Also the fact that much of the housing stock, and associated land, are in use as recreational properties in the summer season, causes major parts of these areas to be regrowing with brush and forest and become impenetrable and no more suitable as grazing areas. The grazing resources in the Lofoten islands are therefore often untapped. As a consequence there is probably a potential for greater meat production in the area of both sheep, goat and beef.

According to Lofotlam BA, the challenge in the Lofoten community is the lack of adequate access and quality in slaughtering- and distribution facilities. This is particularly relevant in relation to securing supplies of fresh meat products and therefore decisive for the Lofotlam BA’s market position.

The specialities, surfing the Lofoten brand: cheese, herbs, honey etc.

Local food is also an issue for some of the local dairy farmers. In addition to stakeholders in fish and meat production, at least two stakeholders are occupied with organic cheese production, most often based on goat milk, and in combination with other tourism-related measures, like farm shops offering cheese, herbs, and honey, together with café, animal displays, hiking in the area surrounding the farm etc.

The cheese is produced and aged in self – owned dairies located at the farm, as well as being sold in their own shop, food stores and restaurants in Lofoten and elsewhere in the region. The markets for these local products are considerable – and growing. Also the major supermarket chains have realized that there is a market for locally produced food, and have taken some of these products into their assortments.

The local food producers in Lofoten think they will very much benefit from Lofoten as World Heritage Site, mainly because this will emphasize the image of Lofoten as a clean and healthy site, with unique qualities. This might have a major impact on the sale of cheese and lamb produced in this area. According to them the potential oil activity

outside Lofoten might have the opposite effect on the sale of this type of food, because often the oil industry is associated with pollution and environmental damage.

Chapter 6: Purity, Health and Attractiveness – Lofoten values for Arctic development

The attractiveness of Lofoten is, and has through the ages been related to the distinctive and beautiful scenery of this archipelago. Already the early landscape painters focused on the visual qualities, the contrasts, the summer and winter colours, and the special “Lofoten light” that changes with the seasons. This is also today used actively, in the promotion of the Lofoten Islands as a tourist destination. But the pictorial beauty of Lofoten must not lead us to ignore the underlying qualities of importance in the Lofoten area, although these are only implicit in the messages of the tourist brochures today, they might also have a deeper impact on the choices that tourists make, not at least in the future. We call it – attractiveness.

The Purity of Lofoten

Lofoten’s attractiveness as a tourist destination might be seen in the perspective of purity. In this context purity means images of intact ecosystems, absence of pollution, chemical or organic, fresh air - and clear and healthy rivers, fjords and seas, low noise level, simplicity, naturalness and authenticity. These are a number of factors, which we know influence travelers choice of holiday destination, and there is no reason to believe that these factors will be less important in a future perspective. Even in the days of serious pollution of Lofoten fishing harbours with fish discharge and thousands of seabirds feeding on this, the pollution was a natural part of the Lofoten image.

What is it about the Lofoten nature and society that creates this sense/impression of purity? The most obvious answer is the location of the Lofoten Islands. It is located at great distance from urban areas in Norway, Europe and the world as such and thus far away from the pollution associated with urban areas. The “outer side” is mostly inaccessible pristine nature, while the “inner side” is mostly a rural area with no heavy polluting industries, but with the fish in the sea as the most important livelihood through centuries. This image of purity is also emphasized by the fact that the Lofoten Islands are located north of the Arctic Circle, up against the cold, pristine and “clean” arctic areas. In the minds of the tourists, all of this might be associated with air and sea of a purer quality than in many other parts of the world.

The Lofoten archipelago is also a variegated landscape, containing “wild” and partly inaccessible nature. As mentioned in chapter 3, the Moskenes municipality has initiated the process to establish what will become the first coastal national park in the Northern Norway, *Lofotodden National Park* including some of these “wild and inaccessible” areas

on the out-side of the Moskenes island, containing even a cave with prehistoric cave paintings (Schiøtz, 2012).

The Lofoten natural landscape include both steep mountains plunging into the sometimes stormy sea, totally without shelter for any ship or boat, and numerous islands of various sizes, some unsuitable for modern human existence/living.

Fig 6.1 Towards Værøy and Røst



Photo: M. Fabritius (2010)

But Lofoten also has large areas of less steep and dramatic, but still beautiful, pristine nature without constructed developments or technical installations. A great example of this is the countless spacious white beaches, without crowds of people even in the summer season, which leaves the impression of these areas as “innocent” and virgin areas, far from densely populated and urbanized places.

Fig.6.2 Flakstad, Lofoten



Photo; Merete Fabritius (2010)

These huge areas of pristine nature must partly be seen in relation to the small population of Lofoten, which count less than 25000 permanently settled inhabitants. In addition, they are mainly resident in or near the two city-like centers Svolvær and Leknes, and in other smaller communities at the inner side of the archipelago, overlooking Vestfjorden.

The areas on the outer side of Lofoten, facing the Norwegian Sea is partly inaccessible due to both the landscape features, and the lack of suitable infrastructure. This is also the reason why some areas have become depopulated and the population concentrated to the inner side, as they are not compatible with modern life. However, on the outside of Lofoten, there are still a few small communities, where a few locals still are making a living from the rich natural resources – both pastures and marine resources.

Fig. 6.3 From Unstad, Vestvågøy, Lofoten



Photo; Merete Fabritius (2011)

As a result, the nature of Lofoten islands “creates” an image of areas of purity with partly absence of human-inflicted damage or littering. These areas with “the absence of pollution”, almost untouched and empty, and with pure soil, pure air, pure water and a pure visual harmony are therefore essential “purity capital”, natural capital, (Ostrom in Dasgupta & Serageldin 2000, Hanna et al, 1996) to the Lofoten society, and in the perspective of the prospective tourist – this creates a special attractiveness.

The Lofoten fishery might also be said to further emphasize the image of this purity in Lofoten. After a number of declining years in the North-East Atlantic Cod stock during the 1990s, the stock is now rebuilt to become one of the healthiest fish stocks in the world. The current catches of the Lofoten fisheries indicates enormous fish resources that with sustainable management will last forever for the benefit of future generations of humans. These fisheries underline the Lofoten archipelago as an important integral part of large functioning ecosystems in the Barents – Lofoten region. This is not only about the tons of fish that is observed during the fisheries, it is also a symbolic

representation of Lofoten as the birthplace and cradle of the cod, during a very sensitive and vulnerable period of their development when the juveniles are very sensitive to any changes in their conditions of life. Although marine biologists might disagree, the image of healthy cod stock – high up in the food chain, also portrays an image of the remainder of the food chain being healthy (Garcia & al 2012) . So after more than 1000 years of intensive fisheries, we here still find the image of intact systems that deliver crucial ecosystem services to the humanly developed part of the planet Earth, and indicating Lofoten as a major element in the arctic protein granary. This is also underlined by the cool and fresh climate of Lofoten, and the cool, clean ocean. Coolness is often associated with purity, as we use cool temperatures (like fridges and freezers) to extend the shelf life of food, or to prevent bacterial development. And as areas of cold water temperatures is known to be more suitable for fish farming than areas with higher average temperatures. Research indicate that aquaculture located south on the Norwegian west coast, has much smaller margins of safety, compared with farming systems located in the north. (Lorentzen, 2010)

In the perspective of purity, Lofoten also might be seen as a natural and real arena for humans to experience extreme proximity to the genuine forces of nature. A vacation in Lofoten offer many different opportunities to personally experience the challenging nature, the ocean, the wind, the arctic light in a raw and real way, without human mitigations, adjustments or adaptations. Through an option for a conscious choice of accommodation arrangements, such as traditional fishermen’s cabins, (ch 2) and activities related to these, such as traditional sea-fishery, the tourist can have the choice of proximity to the nature in its origin, and thus harvest this sense of purity.

If we take this one step further, we shall see that the purity of the ocean, the pristine terrestrial nature and the quality of the air and the light, all being important for peoples’ physical health and mental wellbeing, are part of the image of Lofoten that the actors of Lofoten tourism, through the Lofoten destination company are working to maintain.

The Healthy Lofoten

A comprehensive and important product of the ecosystem services in Lofoten is, as already mentioned, the beautiful and diverse nature. It is well known, both in medicine, health care and among most people that nature makes an important arena for the recovery of mental balance and peace of mind. (Ministry of the environment; Report T-1474, 2009). In the 1800s, Europeans realized some of the negative effects of the industrialization caused by the changing settlement patterns, changes in labour relations and other forms social structures. Already in the 1880’s the German sociologist George Simmel pointed out that modern life means that we are exposed to sensory overload as a result of an environment full of artificial stimuli, large amounts of different commitments, lack of time and demands for efficiency. (ibid). This resulted in arguments

for recreational use of the nature, which became part of the health -promotion in the population already in 1880s. And it still is.

For many people it is therefore a dream and an aim to spend their vacation in nature areas with not only the visual qualities, but also the spatial qualities for the feeling of privacy and proximity to nature in a genuine way. The report of the “Outdoor Life and Mental Health” Nordic project; “The Nature Experience and Mental Health” (ibid) present the results from a number of research projects related to nature's impact on human life. Seen from different perspectives the overall conclusion is that humans have a need for nature both in terms of well-being and to maintain their physical and mental health. In an evolutionary theoretical perspectives the human need for nature is viewed as an inherited trait, while culture - and learning theories see the human relation to nature as determined by how the society put meaning and value to the nature elements. General stress theories also point to nature as an important stress-reducing factor in the complex life of human beings.

The Lofoten landscape itself provides numerous opportunities for healthy physical activities on many different levels, and have qualities that satisfy many different requirements related to sports and recreational activity, including health-sport and extreme sports. The mountain areas are for example suitable for hiking on various levels of proficiency, as well as more extreme activities like rock climbing and mountaineering. Even in winter, mountain areas can be an arena for spectacular down-hill skiing, snowboarding or cross-country skiing.

The spaciousness in this area may allow activities in a completely different way than in areas with a greater population density and urban life, as an open space arena where the wind, the sea and the light can be enjoyed to the full extent without limitations. This comparative advantage is another important health factor that attracts tourists to Lofoten.

Fig. 6.4 Open Space



Photo: Merete Fabritius 2010

Lofoten's location, also include the ocean as an important arena for physical activity, despite its cold temperatures. This might be fishing, kayaking, canoeing, waterskiing, kite-surfing, cold - water surfing etc. There are a number of opportunities to learn, experience, and not the least to master a variety of activities which are important to the individual's mental well-being, general health and therefore human capital.

The landscape and the location of Lofoten provide for re-creational activities in pure, natural conditions. The fresh quality of the air has without doubt a healthy effect on everyone visiting Lofoten and the purity of the sea attracts bathers even at times when the sea is rather cool. During summer season, the Midnight-sun provide invigorating light for 24 hours a day. For many, this is a spectacular experience itself, as we saw in the case of "The Lofoten Midnight sun Golf LINKS"- project (cfr. Ch 4). Even though Lofoten is located far to the north, and generally has a cool climate, it still has summer days with high temperatures that might invite for light dressing and healthy sunbathing.

We have now presented Lofoten as an area that with its large areas of pristine nature provides for many kinds of physical activities. But there is also an important institutional factor to take into account when we get to the active use of nature for recreational purposes. This is the "right of access" ("allemannsretten"). In Norway, similar to other countries, people have a **right of access** to the countryside, regardless of whether this is private, common or public land. But this right is based on respect for the countryside and involves an obligation for visitors to show consideration for farmers, landowners and other users - and to the environment itself. Originally this was an old traditional right-of-way, which has become an important social capital in the Norwegian society, now set out in the legislation governing the right of access – also for recreation

purposes. The consequences of this “*allemannsrett*”, is that all kinds of travelers and hikers and leisure walkers, have the freedom to use nature, to move freely and the freedom from being “channeled” into more crowded areas (Reusch 2012).

This institutional framework, combined with the generous spaciousness, makes Lofoten an area for “freedom”; like the freedom from crowds, queues, the freedom from detailed regulations, and the “freedom to roam” to find some peace and quiet. These are without doubt important factors, to both mental and physical health, for people living in busy densely populated urban areas on daily basis, with high tempo and numerous restrictions and time-consuming procedures. This is an important part of Lofoten’s attractiveness – the ability to live freely and secluded, if only for a short time.

From a health perspective, it is also important to mention Lofoten as an arena for the production of local “pure and healthy” food: wild and healthy ocean-fish, ecologically grown herbs and berries, and the milk, cheese and meat from naturally pastured sheep and cattle. This means that Lofoten also is an important arena for specialized food production, in terms of Norway’s political goal; that 15% of all food production in Norway shall be organic by 2020. (Ministry of Agriculture and Food (2009), report M-0740-B).

The production of food in Lofoten is among the forerunners in terms of applying the “*d’Appellation d’Origine*” labels (KSL Matmerk) and the healthy conditions for the production of these local foods are an important element in the marketing of the many different Lofoten brands of food (cfr ch 5). This is also an argument for the position that local food producers will benefit from Lofoten as World Heritage Site. Thus the “local food” actors are important in the Lofoten tourism cluster – as advocating strategies that emphasize the image of Lofoten as a clean and healthy site, with unique qualities. To them, any oil activity connected to Lofoten would have a detrimental effect on the image of this type of food production.

Tourists have, within certain limits, an opportunity to catch their own clean, fresh fish to consume during their stay in Lofoten, but they are also allowed to take limited amounts of fish out of Norway and bring home to consume later (15 kg of fish fillet) This is a major part of the health – attractiveness. This is also underlined by an increasing demand for tourist fishing, and marine fishing tourism has also become a very important priority for the tourism industry both in the Lofoten Islands and other parts of the Norwegian coast. (Borch, 2011). The challenge for the Lofoten community, as for other Norwegian coast communities, is to manage this marine fishing tourism, both to reduce conflicts with commercial fishing and to ensure sustainable management of the coastal fish resources. On the other hand, as a result of this tourist fishing, new opportunities for business development increases, like the rental of fishing equipment, boats, and other services related to fishing tourism as well as accommodation, restaurants etc. This

can increase the attractiveness and thus make a positive contribution to what is called Value Creation. (Borch et al, 2011) (cfr. Ch 3). Both employment and income will thus provide health benefits in the community.

From a health perspective the access to other healthy locally produced kinds of food is also important. Both different kinds of meat, milk and cheese, vegetables and fruit/berries will increase the attractiveness and emphasize the pure and healthy Lofoten. For some tourists the knowledge that organic and sustainable food production is an important focus in the region, can increase attractiveness. For many people, organic food production is associated with natural, more tasty and healthy foods, compared to other forms of production, although this has not been scientifically confirmed. Therefore a commitment to organic food production are important to many people in an overall perspective, because this is about safe plant and animal health and safeguards the Earth's health through the promotion of balance, diversity and species diversity in nature. Environmental and climate issues have made us more aware. The relationship between food and health is therefore increasingly important for many people. In parallel with these developments, demand and sales of organic foods has increased sharply.

Another important feature of the Lofoten Islands, from a health perspective, is its genuinely friendly and open-minded population renowned for hospitality towards visitors. (Destination Lofoten, 2006, Fjellidal et al, 2010) According to the political scientist Robert Putnam this type of social capital might also be of significant importance to economic growth in a society. (Helliwell/Putnam 1995). Lofoten is an arena with "small societies", containing considerable social capital that is conducive for a healthy mental and social atmosphere. In the perspective of health, Lofoten is an arena characterized by trust, low crime rates and secure living conditions, which makes visiting an enjoyable experience. This is of great importance for Lofoten as a tourist - destination, especially for individuals coming from areas in the world with increasing crime and violence. This kind of social capital allows for peace, relaxation, rest and recovery of mental balance.

The attractive Lofoten

So what makes Lofoten attractive as a tourist destination?

The month of June, July and August is the most attractive tourist season in Lofoten, due to the fact that the summer period is the time of year when most people usually spend their vacation. The decreased tourism throughout the year, especially during the winter months when the polar night, the winter landscape and the colorful Northern Lights fascinate any kind of individual is not sufficient for all the tourist-related businesses to operate full time, all year round. Nevertheless, it is a future goal for the Lofoten tourism

industry to gradually expand the tourist season, by offering activities both at sea and land, attractive in all seasons, not at least for the fans of extreme sports. (See for instance <http://kabelvaghottell.no/topptur-i-lofoten/>)

Currently, it is still the summer season which is the main income earning period for most of the tourism industry in Lofoten. To most people, the annual summer holiday is associated with new inspiration, relaxation and often also recreational activity. All these are important factors and "in-puts" related to mental and physical health. A lot of individuals need to "recharge their batteries", regain strength and gain new inspiration in a few weeks of vacation. As a result, a large proportion of the population prefer to spend their annual summer vacation in natural environments, in close contact with nature, in beautiful scenery, with opportunities for both physical and mental activity and not least, for visual excitement and pleasure. In this context, the special combination of beauty, purity and healthy environment is the secret of Lofoten's attractiveness. This is a combination of important areal qualities that is also typical for much of the Arctic area.

Another important element in explaining the attractiveness of Lofoten is, as explained above, the proximity to its own resource-based history, "the rorbu culture" (cf. ch 2), as a living and credible cultural capital that can be drawn on for generations to come. The local knowledge of the Lofoten history, is still strongly alive, and is among other things maintained through the restoration, maintenance and modernization of aging "fishermen – chalet" facilities. These cabins have become an attractive part of the accommodation facilities in Lofoten. The local culture is facilitating the increasing tourist fishing also sustained through the use of local knowledge, experience and industry. The use of local, traditional fishing boats and the quest for local knowledge of good fishing spots etc. both spread and keep this human and cultural capital alive in the mind of the Lofoten population.

Lofoten's cultural history is also kept alive by the establishment of several museums and other monuments, like "The Lofotr Viking Museum" at Borg, and the Lofoten Museum in Vågan where visitors can explore authentic environments from one of Lofoten's biggest fishing villages in 1800s. The Lofoten community also has less traditional ways to present their cultural heritage, like the Ouerini Opera on the island of Røst. (cf. ch 1) and the World Cup in codfishing, during the seasonal Lofoten fisheries (cf. ch 5). The initiatives for establishing venues for the dissemination of Lofoten's cultural history come from both committed private local initiators and from public and political actors. One of the major cultural and historical projects in Lofoten in 2012 is the aim to establish "The Lofoten Fishery Heritage Center" related to The Lofoten Museum. This will be a center for the promotion of information, activities, learning and experiences, related to culture and tourism in the area and region. The center is planned to be the main center in national and international context. By keeping the history of Lofoten

vibrant and visible, the Lofoten communities maintain and enhance important cultural capital, for the benefit of future generations and their future prospects.

In working for this, the Lofoten community also possesses another important form of capital. The population's commitment to and pride of their own history and community, constitute an important form of social capital which also is essential for the part of social capital created by the friendliness and open-minded attitude of the inhabitants. This kind of social capital feeds the impression of a healthy community, and therefore enhances the attractiveness of the area for visitors. (cfr. ch 1). The population of Lofoten also benefits from this kind of social capital itself. These kinds of attitudes as a distinct feature of the society, are a vital foundation for creativity and economic development (Helliwell/Putnam 1995). This kind of social capital also has an essential health aspect, both for the emergence of optimism and hopes for the future. It is therefore of great importance to the public health. A crucial question is therefore whether the local society in the Lofoten Islands will be able to maintain this social capital in the future.

The Lofoten archipelago obviously has a lot of attractive features. Despite these qualities associated with purity, health and proximity to its resource-based history, only one actor is so far certified as an eco-tourism operator: , "Lofoten Kajakk", and registered as a member of the Norwegian Ecotourism Association. As such, ecotourism is about uniting conservation, communities, and sustainable travel and according to The International Ecotourism Society defines ecotourism as *"responsible travel to natural areas that conserves the environment and improves the well-being of local people."* (TIES, 1990), The nature and the biodiversity that surrounds the people in Norway, including Lofoten is unique in the world. Lofoten therefore has enormous potential for ecotourism because it can offer outdoor activities from a variety of habitats such as forests, mountains and coast. Bird watching, hiking or riding in the mountains, grouse hunting, scuba diving, whale watching and cod fishing etc. The possibilities are significant, but still unutilized in an ecotourism context. Those who implement and participate in ecotourism need to follow national and international approved principles for ecotourism. In brief, ecotourism is enriching nature and cultural experiences, organized by certified, responsible tourism companies with consideration for their guests, the environment and the local community they are part of. Companies in Lofoten based on activities like arctic surfing, fishing, mountaineering, rock climbing, hiking etc could thus easily be part of ecotourism. Tourism industry with a larger focus on ecotourism would certainly take advantages of the Lofoten Islands as a World Heritage area.

With a few exceptions, the Lofoten Archipelago is not, so far, an arena for the presence of big national or international companies as part of their tourism industry (Jentoft et al, 2011) Even though some of the local companies have acquired other companies and expanded their operations, the main part of the tourist industry in Lofoten today

consists of many small, and often family-based, companies with a lot of local knowledge and strong ties to the area. These local actors often provide for a creative mixture of offerings and services to ensure their income and survival. With so many different players, and with a complex mix of different and integrated services for tourists, it is often difficult to get an overview of what Lofoten has to offer as a tourist destination. Small companies, limited income, and insufficient knowledge of marketing etc. can cause problems concerned to market visibility and positioning in the market, although many actors nowadays run an extensive use of social media.

Many of these companies have therefor chosen to team up in Destination Lofoten. (www.lofoten.info) The purpose of this is according to their web-site:

International and national marketing, promotion and sales.

- Co-ordinating existing travel trade products in the area, and product development.
- Co-operation with international tour operators.
- The production of promotional material.
- Representing Lofoten at trade fairs and shows.
- Developing a joint profile and Lofoten as a destination.
- Co-ordinated product information.
- Official tourist information.
- Taking care of the hospitality- and information duties on behalf of the municipalities of the Lofoten islands.

Destination Lofoten thus represent actors in all the municipalities of the Lofoten region, and represent actors of different sizes, and categories. To become a member of this association, the actor must pay an annual fee, calculated according to the size of the company, but still it represents some cost. As a result, there are several minor actors that fall outside this coordination agent and operate on individual basis in this growing market.

This association of stakeholders in Destination Lofoten, creates a network which is important for the spread of information, exchange of ideas, advice and support, and this network is to an increasing degree a crucial component in the creation of social capital in Lofoten Tourism.

These tourism actors also interact, network and take collective actions in other combinations based on their travel category, their tourism product, their production scale, their ideology, strategies etc. For example; Farmers market, "Grønt reiseliv", Oikos – Organic Norway etc. This creates a strong cob-web of networks at all levels and in many directions. The challenge is for all these to work for the same goal. Destination Lofoten is the major actor in the promotion of Lofoten Islands as an attractive tourist destination. The challenge for the Lofoten region is to maintain its basic character – as explained in this chapter, and not be too eager to satisfy all categories of more

fashionable requirements from the global and national tourist industry, hotel chains and cruise companies. It is therefore important to have such a joint body to promote the brand name of the Lofoten Islands, and to discipline its members in a joint effort to maintain the attractiveness that provides the unique Lofoten. The scaling up of these values to the larger arctic area is further discussed in Chapter 7.

In the future development of Lofoten Tourism, the question of profitability will be higher on the agenda as tourism enterprises mature and move from “man and wife business” to more commercial firms with hired staff. (cfr. Ch 4). This drive to increase profitability – and for that purpose, also the volume of Lofoten tourism, will influence on the composition of Lofoten tourism in the next decades. But also the disciplining activities of the destination company and the collective struggle to keep the Lofoten image pure, healthy and attractive will influence on the future path of tourism development in Lofoten. Several outcomes from these different driving forces are possible in the coming years.

Future Lofoten Tourism scenarios:

The anatomy of Lofoten tourism is not carved in stone. It has changed through the centuries and is most likely to maintain its changeable and dynamic character in the future. To a large extent this future is heavily dependent on infrastructure development in the region. For instance will a new Lofoten international airport at Gimsøya increase the number of Lofoten tourists tenfold. And a new cruise harbor in the Buksnesfjord will dramatically change the operating conditions for the tourist enterprises that serve the cruise tourists. Both will increase the volume of tourists dramatically and increase the profitability of those tourist segments that are able to handle increased volumes. At the same time we can observe that other societal forces will pull in different directions and stimulate the development of alternative development paths:

Scenario 1:

Development of a **High Volume Lofoten Tourism Future**: Based on a dramatically increased inflow of tourists through direct flights from Europe and access for larger cruise ships, together with heavy investments and marketing efforts by large international Hotel Chains, the Lofoten tourism will develop towards streamlining tourist services for a large number of visitors on short visits. Based on the current concept of coastal steamer tourist “experiencing Lofoten” , further well-organized and seamless programs will be developed that include both cultural heritage, local food and various experiences. To cater for large groups, both the hotels, “rorbu” clusters, museums, the aquariums and the “experience tourism enterprises” will have to take measures to increase their throughput, in some cases by constructing Disney type Experience Centers or Parks. Mostly tourism operators who can handle large volumes will benefit from this scenario.

Scenario 2:

Development of an **Exclusive Lofoten Tourism Future**: Based on collective actions by the Destination Lofoten members, Lofoten decides to constrain the number of tourists, and prioritize the development of special products for the high paying tourist market segment. The “The Great Life Company - chain” and the Lofoten GOLF LINKS (golf - all night long) and Golf/ Adventure - hotel might become role models for such a development path. Large accommodation enterprises might cater for some increase in volume, but choose to do this through close cooperation with the smaller tourism operators in the Destination Company, the benefits of volume increase will be distributed by the existing many small companies. The new Thon Hotel in Svolvær recently nominated for a national prize for practicing this strategy with a great degree of success.

Scenario 3:

Development of a **Chaotic cluster-based Lofoten Tourism Future**: Based on the recent “organic growth” of Lofoten Tourism, a liberal Destination Company which favours many small members and delayed development of a Lofoten International Airport and an improved cruise ship harbor, the processes generating the present structure of Lofoten Tourism are likely to continue. The number of small up-start tourist companies will increase steadily, as will the number of bankruptcies and mergers. The profitability of the tourist enterprises will continue to be low, but the employment will be large. The interaction between the enterprises will grow stronger and produce some innovative tourist products that no-one had imagined beforehand. This interaction will also strengthen the members’ influence over the strategies of the Destination Company. Taken together, the Lofoten tourism under this scenario will cater for both budget tourists demanding long term modest accommodation in an old “rorbu” while exploring Lofoten on her own, and for the High paying tourist who demands a structured program to “get it all” in a condensed period.

Tourism Industry is already a major industry in the area. The path of development for this industry will therefore affect all other business development in Lofoten? As we saw in chapter 2, there is already some conflict over area-use between the fisheries sector and the tourism sector. To some extent the the Lofoten society is depending on continued room for fisheries in order to survive and emerge as an authentic and sustainable fishing community. Therefore, area conflicts in the coastal zone might constrain and condition the path of development of Lofoten Tourism beyond these 3 scenarios.

Chapter 7: Scaling up the Lofoten Tourism-Heritage-Food & Excitement Cluster to the Arctic

The real challenge in developing Arctic Tourism, Lofoten as a case

In the Introduction, we set out to analyse Lofoten Tourism as the outcome of old and new actors pursuing various strategies – on the basis of a considerable heritage of institutional path-dependencies, a series of nature-given geological and ecosystem preconditions, and a heavy cultural heritage dating as far back as 400 A.D. In chapters 2, 3, 4 and 5 we have seen how the various actors within accommodation, cultural enterprises, local food production and experience and excitement businesses form strategies, make investments and take actions that produce a certain form of tourism, here called the “Lofoten Tourism cluster.” In chapter 6 we showed how this cluster and the Lofoten Destination Company are some of the important instruments for Lofoten Tourism to keep the image of Lofoten as a pure, healthy and attractive place to spend your holiday. Pureness, health and attractiveness are “collective goods” that needs to be maintained – for the benefit of all. In this way Lofoten tourism has a lot in common with other arctic tourism developments, where the vulnerability of the arctic image of cleanness and ecosystem health is at stake.

In the Lofoten case, the existence of a destination company has proved to be important in shaping the character of Lofoten Tourism. In other parts of the larger Arctic Area, we find similar structures. In Northern Norway alone, there are at least 12 “Destination Companies” or organizations, active in the public realm. Together they represent a way of developing and organizing tourism that is quite unique on a world scale. Based on local resources and local actors that are linked together in various ways, these companies coordinate marketing activities for tourist companies that are too small to be able to reach out into the world market all by themselves. In many cases they also handle common booking systems and negotiations for large scale common purchases. In most cases they are owned and financed by the various tourist enterprises that are “members”, but in some cases these destination companies also receive some support from municipalities, county authorities or the state. In Northern Norway these are:

Destination Lofoten: www.lofoten.info

Visit Bodø: www.visitbodo.com

Visit Meløy: www.visitmeloy.no

Destination Narvik : www.destinationnarvik.com

Visit Vesterålen: www.visitvesteralen.com

Destination Harstad: www.destinationharstad.no

Visit Snowman: www.visitsnowman.no

Destination Senja: www.destinationsenja.com

Visit Tromsø Regionen: www.visittromso.no

Nordkapp 71 ° nord: www.nordkapp.no

Spitsbergen Travel: www.spitsbergentravel.com/Start

Svalbard Reiseliv: www.svalbard.travelize.se/reiser/NO/om-Svalbard-Reiseliv%20AS-AS-7-9.html

In addition to Norway, we now find somewhat similar tourism destination companies in most arctic countries, Iceland, Greenland, Sweden, Finland and to some extent also in North-West Russia. They organize small, medium size and larger tourist enterprises into various kinds of voluntary associations based on membership, cost sharing and benefits in the form of increased market impact. An important effect of this is that it among destination company members form some kind of group belonging that helps to initiate new upstart firms into the “family of tourist operators” . At the same time this group belonging can discipline members of the destination company to comply to prevailing standards among existing members and commitment to the task of creating a good image of the region’s attractiveness - as a collective good that they all are depending on for their continued business. Free-riders and dodgers will then be punished through various mechanisms.

In using a limited area case (Lofoten Archipelago) to build a framework for social and ecological interactions in a considerably larger area (the Arctic) , there are a number of important challenges to consider. Lesson from the Lofoten case cannot automatically be transferred to the larger ecosystem- and policy theatre, but have to be interpreted in this greater and more varied setting in order to be useful in generating sustainable governance options for Arctic natural resources. The most important challenges are the following:

Scaling-up challenges: When mapping the governance structure of the initial Lofoten case, sufficient attention must be given to the subsequent needs of scaling these structures up to the macro level of the entire Arctic Region. Both national level institutions and the emerging international governing institutions have effect at the local level, at the same time as local stakeholder groups have influence over what decisions governing bodies make in relation to resource use and access for tourists. Thus the inherent complexities in the Lofoten case should not be simplified, but should be fully explained in order for them to be useful in the larger and more complex context of the arctic countries.

Multi-level games challenges: In any policy setting, even the smallest one, there are always struggles and games going on at multiple levels. In the Arctic there are in general 3 national tiers of governance structure plus one tier of international governance

structure. In federal nations, there is addition a 4th level of governance at the national level. In analyzing governing activities, it is usually helpful to distinguish between those that are constitutional, crafting the important institutions, and those that are collective choices, making the actual policy decisions on certain issues. Constitutional challenges in the north have typically been connected to indigenous right to land and water in these northern areas. There are also challenges at the operational level, if the collective decisions are poor, the potential for disruptive games at the operational level, e.g. in fishing operations on the field, will be ample. Although the Lofoten region is a micro-cosmos compared to the vast Arctic area, with its sizeable population and vibrant organizational and social life, it has almost all the elements needed to understand how social systems in northern resource dependent regions functions under different policy scenarios.

Open and Flexible system boundary challenges: In utilizing the Lofoten system to understand social processes inbuilt into tourism development in the greater arctic region, we have in this report shown why it is important to be conscious of the way Lofoten is an integrated part of other systems as well as being a system of its own. As mentioned above, the Lofoten area has for thousands of years been connected by the migrating cod to the greater marine ecosystem of the Barents Sea at the northern end. At the southern end, the same Lofoten area has for over 1000 years through the stockfish trade been connected to the social systems of trading and religious practices of the continental Europe and the Mediterranean Sea. These are properties we find all over the arctic, both ecological and social systems are nested in each other over great distances and their flexible boundaries and strong interconnectedness is a vital property that needs to be taken into consideration. Fluctuating ice edges, migratory fish stock, migratory birds, migratory sea mammals, and migratory fishers and hunters are more typical of the Arctic than of other regions in the world. With climate changes, the Arctic will “open up” and the dynamic character of the Arctic will increase even further, thus increasing the analytical challenges related to changing system boundaries.

The challenges of Game outcomes versus Constitutional choice: Although game situations can produce interesting results either by non-cooperative or cooperative games, it is important to be aware of the possibility in the real world of deliberate and conscious Constitutional choices being made by legitimate and enlightened collectivities. One example here is the Article VIII of the Constitution of the State of Alaska. Natural Resources - where it is legalized that “natural resource utilization in Alaska is for the benefit of the peoples of the North” and shall follow the principles of “Common use and sustained yield” (Ostrom 2011). In the Lofoten case there are numerous such collaborative or collective bodies, networks etc. that are crafting institutional realities that commit members and in fact changes the outcomes of individual struggles, for

instance in the new “cluster of tourism, cultural heritage, excitement/experience, local food and property development”

However, tourism is only one among many industries that utilize the arctic environment and is dependent on arctic resources. As such, tourism is highly dependent on how more extractive industries conduct their operations in the arctic environment. In the greater context, this Lofoten study as limited case study aims at facilitating the development of analytical frameworks to evaluate governance options in typical Arctic natural resource extraction situations. As shown in chapter 6, it is therefore “sensitising” in relation to the kinds of resource extraction dilemmas we find in the arctic areas, so that the typical arctic dilemmas are sharply represented. At the same time there is a requirement that such a case must contain a sufficient number of the different arctic dilemmas to make the framework useful for analysis of a wide variety of arctic action situations.

The Lofoten area suits this function in multiple ways:

One is that the area in itself is a micro-cosmos that contains a large number of the “arctic resource extraction dilemmas”. The “resource mining” strategy was the traditional ethos of the 1000 years old Lofoten fisheries, just as it was during the dutch “biocide of the arctic” under the “*mare liberum doctrine*” in the 17th century (Grotius 1901): Harvest as much as you can while the migrating resource is available. The “big catch” was the prize of the lottery. With increasingly efficient harvesting technologies also the “resource crisis” – or the tragedies of the cod commons - were introduced to the Lofoten area, as it was already known to the eastern arctic when the limitless hunt for the fat giving sea mammals, seals, walrus and whales made these almost extinct. Such breakdowns can either lead to collapse in harvesting operations, and a new slow growth in arctic stocks, ahead of a new onslaught cycle - a very typical arctic *laissez faire* strategy.

Or it can result in the introduction of rational resource management regimes, with stock monitoring, sanctions and effort control systems. The introduction of TACs (Total Allowable Catch) for the Arctic Cod by the NEAFC (The (joint Russian/Norwegian) North East Atlantic Fisheries Commission) , and the subsequent distribution of Individual Vessel quotas to its own nationals by the states within this overall quota is one way of organising such a rational resource extraction regime. But such rational regimes require national jurisdiction over territories – or over fish stocks. In the case of only two “owners” of the joint arctic cod resource (Norway and Russia), this regime has worked. But if part of the fish stock migrate into areas with no jurisdiction (*res nullius*) , or the number of actors become large, such rational resource management systems can be undermined by free-riders and collapse – often with the collapse of the biological stock as a result. Therefore the non-jurisdictional part of the Arctic (the loop-holes) represents a threat to the functioning of these kinds of rational resource management regimes. Concern for the sustainable harvest of biological resources therefore acts as an incentive

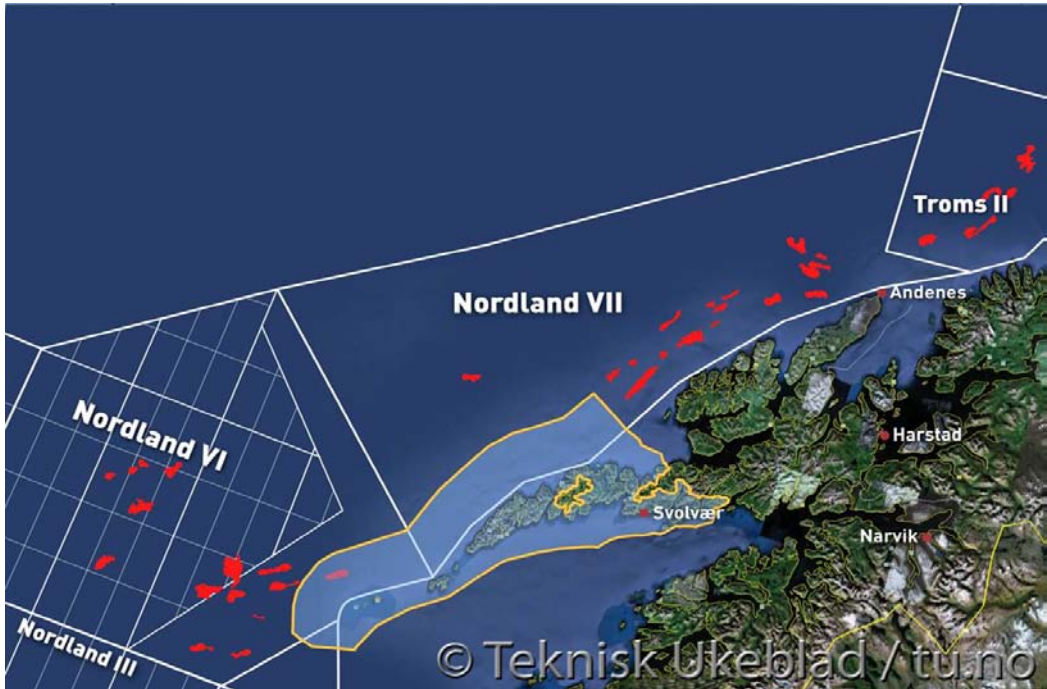
to eliminate loop-holes and place an increasingly larger part of the Arctic under the sovereign jurisdiction of one of the arctic coastal states.(Moe & al 2011). The relative success for the Lofoten fisheries of the Arctic Cod TAC (Total Allowable Catch) and quota system is therefore an important reason why the Lofoten case is of crucial importance in order to scale up the understanding of the role of such resource management regimes in the Arctic setting.

Yet another way to govern biological resources in the Arctic is to conserve them by protection measures, national Parks, National Reserves, Fish Protection Zones etc. Such measures protect against resource mining and extinction of valuable species, but are based on “National jurisdiction” in one form or another. Such protection measures are often moratoriums and are non-discriminatory with regards to nationals from other nations than the jurisdictional states: In a protected area the same rules for resource extraction in principle applies to all, irrespective of citizenship or the address of company headquarters. The jurisdictional authority required for the establishment of protected areas has so far been the arctic coastal states for “their” respective areas. As no binding treaty exists for the entire arctic area, there is no international organisation that can enact nature protection – or resource protection for larger arctic areas, including “no-one’s areas”. Neither the United Nations nor the Arctic Council can initiate legitimate protection measures for “Arctic Commons” or for “shared Resource regions” , as advocated by former Russian president Gorbachev in his 1989 Murmansk speech. Conservation measures are often criticised for not allowing a sustainable use – or harvest of a valuable arctic resource. Different softer conservation regimes are therefore tried, one of these is the “protection through use” principle of the UNESCO Natural Heritage Areas, another is the Indigenous managed protected areas (Dudley 2008) The heritage sites are protected areas with people living inside them, preferably carrying out their traditional resource extraction activity, thus maintaining a cultural landscape – or a cultural seascape.

As mentioned in ch 3, The Lofoten case contains a proposal for establishing a World Heritage site based on the unique resource harvesting culture of the Lofoten Archipelago. This conservation measure might then constrain other kinds of developments in the same Lofoten area, e.g. large scale petroleum extraction activities in the nearby coastal waters of Lofoten. Both the conservation measure, and the oil exploration are therefore highly controversial issues, where the tourism industry tend to be caught in the middle (cfr. ch 2). The strategies used by the different actors in this struggle for political hegemony are representative of the general conservation/exploitation controversies in the whole of the arctic region cfr. **Fig 7.1** shows the geopolitical positioning of the proposed heritage site in relation to the potential oilfields off the Lofoten coast. If the political compromise is to allow oil exploration in some areas (e.g. Vesterålen) and establish a World Heritage Area in other areas (e.g. West-

Lofoten) quite different development scenarios of tourism in two adjacent areas is quite likely, despite their initial similarities.

Fig. 7.1 : Proposed World Heritage site in Lofoten Archipelago and the position of identified oil fields.



Source :Teknisk Ukeblad.

The other reason why Lofoten is useful for scaling-up results, is that it is also suitable as a sensitizing case for studies of interactions between ecological systems and social systems, and the effects of different resource extraction policies on these interactions. Lofoten is at the apex of a large marine ecosystem that stretches from the tip of Lofoten and far into the Arctic Sea north of the Spitsbergen Islands and the Frans Josefs Land. As the ice edge is retreating at the peak of summer, more photosynthesis takes place and this ecosystem is expanding north towards the north pole. As explained in chapter 1, the keystone species of this macro-ecosystem is the arctic cod that through its migration between the Barents Sea and the spawning areas in the Lofoten Islands ties together this large ecosystem. Cfr, Fig 1.2) What happens in the Lofoten case is therefore both an indication of the health of the entire ecosystem – and a possible cause of what is happening in other parts of this vast arctic ecosystem. The ecosystem effects that ripple through these marine systems also affect terrestrial arctic systems, like sea-bird colonies and fishing villages, thus making the Lofoten case also a key indicator for the health of the entire arctic socio-ecological system.

The national jurisdiction is composed of different levels of governance, that interact with each other, and interact with the governments of other arctic states and with international organisations. Also here the Lofoten area provides illustrating examples of the complexity of the arctic governing systems, as shown in the analysis of the 1st, 2nd and 3rd tier of the Municipal, Provincial and National governance system in Norway (Introduction). Not only the Arctic National States are important here, both the local government and the International organizations are crucial here. In the final analysis, it is the effectiveness of the whole governance chain that decides the continuous provision of ecosystem services that the tourism industry is so dependent on, (cfr. ch 6) .

Of special importance for an understanding of arctic governance processes is the first major attempt at a “ large scale ecosystem management effort in the Arctic”. Together with the Norwegian Ministry of Environment, the Ministry of Fisheries and Coastal Affairs is responsible for the “Management Plan for the Lofoten-Barents Sea” This is an “Ecosystem Based inventory and plan for the marine macro-system that dominates most of the Arctic.

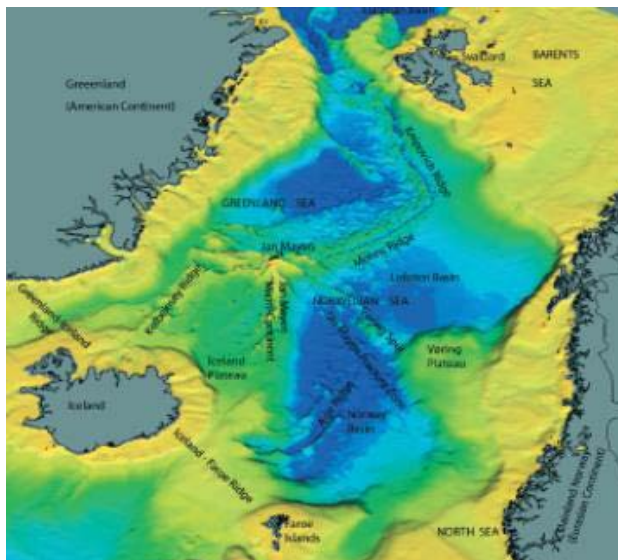
The purpose of the management plan is to safeguard the enormous ecological values in the Arctic region, and the integrity and functionality of this system, which among other species contain the world largest fish stock – the Arctic cod, on which , as we have seen, the unique Lofoten culture is built. The work on the first management plan of this area started in 2006. At the same time it was decided that it should be updated with new knowledge in 2010. This update was presented by the government in March 2011. (St.meld 10, 2010-2011). Many external research institutions provide knowledge to management plan. This is an important point in relation to the relationship between the governing system and the status of the large ecosystems of the arctic. The current Norwegian strategy for development of the Arctic is that all neighboring Arctic coastal States shall adopt such an “ecosystem based management rationale” for their respective arctic marine areas (St. meld 7, 2011-2012). This is a policy that the Norwegian government is pursuing in international for a, e.g. in the Arctic Council. For the national government of Norway, these three issues, world heritage, oil exploration and an ecosystem based management plan, makes up a very complex decision situation, that maybe is too complex for the current political set-up. Now the decision on whether to open up for oil exploration outside Lofoten/Vesterålen is postponed until 2013. However, with major oil finds in the North Sea, and in the Barents Sea, both of which adjacent to existing infrastructure, the oil industry’s capacity will be fully stretched for many years to come, thus a further postponement of this decision is highly probable. This again shows that factors outside the arctic area to a large extent influence on the “tourist game of the arctic”

But the nation states are not at the apex of the governing system in the Arctic. States have to cooperate with other states and much of this cooperation can assume the character of a game – a game between three categories of nations: The 6 Arctic coastal

states (USA, Canada, Denmark (Greenland & Faeroes), Iceland, Norway and Russia, the other arctic states without arctic coasts (Sweden and Finland), and other states with “arctic interests” (Japan, China and the EU member states. What happens in these cooperation fora will directly affect the life and the livelihood of northern communities, and their attractiveness as tourist destinations. For instance has the Lofoten region been more dependent on what happens in the North East Atlantic Fisheries Commission (NEAFC), than on most other governance institutions. This joint Norwegian-Russian fishery commission (NEAFC) was established in 1976, during the cold war. In spite of this it did at an early date provide regulatory instruments and helped controlling the fishing activity outside Norway’s exclusive economic zone. Although there has been temporary set-backs, the overall long term success of the commission in managing the important fish stocks in Barents Sea is one of the reasons why Lofoten today is the unique region it is.

The most important constituting process in the Arctic today is going on within the UN Law of the Sea (UNCLOS) Framework. At present the Commission on the Limits of the Continental Shelf (CLCS) has the more important task of deciding on the extension of the national jurisdiction of the Arctic coastal states beyond the 200 mile exclusive Economic Zone (EEZ). Based on geological evidence, the arctic coastal states can thus demand jurisdiction over their continental shelf far into the Arctic Ocean. See **fig 7.2** for an image of the underwater geology of the North Atlantic/Barents Sea, it gives an impression of the extent of some of the continental shelves beyond the 200 mile EEZ.

Fig 7.2: Continental shelves between Norway/Svalbard and Greenland



Source St.meld no 7 (2011-2012)

In this CLCS process, the Arctic Coastal states are forwarding claims of continental shelves based on these rules, which are subsequently modified or accepted by expert groups and the CLCS commission. In the Ilulissat declaration of May 2008, the 5 arctic coastal states bordering on the arctic Sea, (Canada, Denmark (Greenland), Russia, USA and Norway) agreed that the Law of The Sea (UNCLOS) shall be the constituting framework for activities in the Arctic Sea, with regard to both environmental protection, research, ship traffic and to the delineation of extension of the continental shelves of these coastal states. When the CLCS processes are completed, most of the Arctic sea will most probably be under the jurisdiction of one of these 5 arctic coastal states, and will not resemble a global commons to any great extent.

Then the process of filling in this arctic constitution with working institutions for protecting and utilizing these arctic resources will gain momentum. The most important arena for this work will be the Arctic Council. The Arctic Council was started in 1996, building on its forerunner, the Arctic Environmental Protection Strategy. All the 8 “arctic member states” Canada, USA, Finland, Iceland, Norway, Russia, Sweden and Denmark (with Greenland and Faroes) have seats here, Likewise 6 Indigenous Arctic Peoples Organizations have seats on the council :AIA, ICC, RAIPON, AAC, GCI & SC, covering most of the indigenous groups in USA, Canada, Russia and Fennoscandia. The Council will from 2011 also have a permanent secretariat in Tromsø. The Arctic Council is therefore an organization that will command high legitimacy and can make decisions that the member states are likely to follow. As jurisdictional questions are gradually being settled by the CLCS processes, the activity of the Arctic council will focus more on how the utilization of arctic resources can take place in a sustainable way that safeguards the special features of the Arctic region. In this, the Council will attempt to craft institutions for arctic resource utilization that are binding for the member states. Thus the influence on the Arctic Council, both through the member states and through the indigenous peoples organisations, will in turn have effect on the working conditions for the development of arctic tourism at large. This concerns not only how future Arctic Tourism is constituted in term of localization, size, ownership structure etc, but also how it will be allowed to operate under future regulatory regimes.

Based on this exposition of the major governing institutions affecting the development of the greater arctic, we shall finally take a closer look at the outcomes of the strategies of the main actors in Lofoten tourism, to see in what way they can help us to understand the possible future development paths for arctic tourism.

The Arctic lesson from the Lofoten tourist game; Actors, strategies and networks

An important lesson from the Lofoten case study is that there is no “business as usual” future. What is typical here is that innovations and dynamics are the normal model for development. New resources are constantly being utilized for commercial tourism purposes: Waves on the outer side of Lofoten are discovered and found to be valuable, ocean kayaking are utilizing hitherto unutilized marine areas, diving is supplementing fisheries, rock-climbing is making money out of something that used to be free, stockfish is transformed to expensive dishes in picturesque local restaurants, and lush pastures are planned transformed into high priced Lofoten Lamb and Lofoten Beef. The global driving forces behind this are the drive for exciting experiences in large urban populations in Europe, North America and Asia. This growing demand represents a potential for sustained growth in the “experience economy”, a potential which the the Arctic states is fully aware of and has to take into consideration in their policy making (cfr. Ch. 4). At the local level the driving forces behind the dynamic development of Lofoten tourism has been individual entrepreneurs, some of them locals with new ideas, some of them in-movers with new ideas – and in some cases – with capital. On a regional scale the structuring forces operating here are first of all the infrastructure changes, airports, harbours, roads, and the timetables of ferries, steamers, express boats and aeroplanes. These are all driven by policy initiatives and coalition building on both regional and national level. The physical planning of the local authorities (municipalities) is also crucial for the expansion – and continued quality of Lofoten Tourism. In addition Lofoten has shown us that collective action also can explain the path of development for a certain branch of businesses. The Lofoten Destination Company is both helping and disciplining its members, many of them small operators, and is thus contributing to shaping and conditioning the future of Lofoten tourism. The high degree of cooperation and interconnectedness between the “cluster of accommodation, experience, food-production and heritage based tourism operators”, can to a large extent be explained by the existence and activity of a destination company.

The possible futures for Lofoten Tourism is summarized in three scenarios in chapter 6. These are simplified, but they show some of the possible outcomes of the interplay between the driving forces mentioned above.

When we move to the larger Arctic scene, the driving forces are larger and immensely more complex. Also here tourism development will meet with the strategies of other business sectors, and they will all have a tendency to try to be the “first to the mill”. Also here tourism development will benefit from large Arctic areas currently being nature protection areas, and therefore off-limits to most other resource utilizing industries, and

thus attractive for tourists. But at the same time the protection status will constrain the free use for tourism and more important, the volume of tourists that can be tolerated in the fragile arctic environment. In table 7.2, we have indicated what drivers we should look for when the insights of the Lofoten case study is scaled up to the larger Arctic policy theatre.

Fig 7.2 DPSIR model for arctic Tourism Futures

Crucial drivers that shape a Future for Arctic tourism		Crucial actors	Strategies
Scale	Driver		
Global	1: New and exciting experiences	Young travelers of all ages	Exploring new and unknown places
	2: Exclusivity	A more wealthy urban population with ample time	Get away from mass tourism
	3: Tranquility	Stressed people with concern for pristine purity and health	On lookout for the very special place
Arctic Regional	1: Prevent resource mining	Arctic Council	Getting the right institutions in place
	2: Secure legitimacy , control and sanctioning	Arctic council + arctic coastal states	Designing mechanisms for surveillance and policing (coast guard)
	3: Stimulate a sustainable development path	Arctic Council + arctic states + indigenous peoples organizations	Good collective choices, strict licensing systems, correct incentive systems, inventive advisory systems
Norwegian National	1: Promote international responsibility in the Arctic	Norwegian Ministeries, Norwegian Polar Institute, Marine Resource Institute, Universities	Advocate Ecosystem based governing methods for both Arctic land and sea areas.
	2:Guard National sovereignty	Norwegian Ministries, Svalbard Administration, Norwegian Coast Guard	Make rules for resource utilization that protects the resource and have high international legitimacy
	3: Stimulate responsible business development in the Arctic.	Norwegian State, Fisheries sector, Aquaculture sector, Petroleum Industry, Tourism Industry Research Institutes	Research and Development Programs, Incentive systems, Tax reliefs and Arctic business support programs

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