

SIT Graduate Institute/SIT Study Abroad SIT Digital Collections

Independent Study Project (ISP) Collection

SIT Study Abroad

Fall 2017

Ethical Business Practice, Accountability, and Quality Assurance: Primary Drivers for Sustainable Tourism Development in Iceland

Abigail Harrison
SIT Study Abroad

Follow this and additional works at: https://digitalcollections.sit.edu/isp_collection

 Part of the [Environmental Law Commons](#), [Environmental Policy Commons](#), [Environmental Studies Commons](#), [European Languages and Societies Commons](#), [Natural Resource Economics Commons](#), [Social and Cultural Anthropology Commons](#), [Sustainability Commons](#), and the [Tourism and Travel Commons](#)

Recommended Citation

Harrison, Abigail, "Ethical Business Practice, Accountability, and Quality Assurance: Primary Drivers for Sustainable Tourism Development in Iceland" (2017). *Independent Study Project (ISP) Collection*. 2747.
https://digitalcollections.sit.edu/isp_collection/2747

This Unpublished Paper is brought to you for free and open access by the SIT Study Abroad at SIT Digital Collections. It has been accepted for inclusion in Independent Study Project (ISP) Collection by an authorized administrator of SIT Digital Collections. For more information, please contact digitalcollections@sit.edu.

Ethical Business Practice, Accountability,
and Quality Assurance:
Primary Drivers for Sustainable Tourism
Development in Iceland

Abigail Harrison (aaharrison@haverford.edu)

Academic Director: Daniel Govoni

Advisor: Jennifer Smith

SIT Study Abroad

Iceland and Greenland: Climate Change in the Arctic

Table of Contents

I.	Acknowledgements.....	p. 3
II.	Abstract.....	p. 4
III.	Introduction	
	a. Impact of tourist influx.....	p. 5
	b. Definition of “Sustainable”.....	p. 7
	c. Tenants of Sustainable Tourism	p. 8
	d. Research justification.....	p. 9
IV.	Methods	
	a. Interviewee background.....	p. 10
	b. Informal interviews: government and private sector.....	p. 11
	c. Informal interviews: tourism companies.....	p. 13
V.	Ethics.....	p. 14
VI.	Results	
	a. Business guided by ethics.....	p. 15
	b. Necessity of partnership.....	p. 19
	c. Accountability and quality-assurance standards.....	p. 22
VII.	Analysis.....	p. 24
VIII.	Conclusion.....	p. 28
IX.	Bibliography.....	p. 31
X.	Appendix.....	p. 33

I. Acknowledgments

First and foremost, I extend my profuse thanks to Daniel Govoni, the academic director of the climate change program in Iceland and Greenland. His continued academic guidance and occasional sense of humor throughout the semester was invaluable. I would also like to thank Jennifer Smith, my advisor during this period of research. Her insight into social science methodology and research helped me not only specify my research question, but figure out how to write effectively about people and society.

I would also like to thank Eiríkur Björn Björgvinsson, Ásta Kristín Sigurjónsdóttir, Sigurdur Jonsson, and E. Berglind Viktorsdóttir, four people with whom I was able to speak with directly about tourism in Iceland. I appreciate not only the willingness to take time out of their schedule, but more so the respect I was treated with and interest they showed in my research. Interactions like these are what makes anthropologic research so rewarding.

My extended family members in Paonia, Colorado deserve infinite thanks as well, given it is their presence and their livelihoods that motivated this research. This town is the place where my love for the planet was fostered, and more recently, where my desire to impart meaningful change on the world was created. My family and our small business have been impacted by environmental and social issues, making the creation of a sustainable business necessary, not only for the town, but for my family members. It is their faces I picture during moments of difficulty in this research – thank you for the inspiration.

Lastly, I would like to thank my parents, without whom this trip would not have been possible. Thank you for allowing me this opportunity to grow and learn. I love you.

II. Abstract

The tourism industry in Iceland has grown exponentially in the last decade, causing changes to the natural landscape and drastically shifting revenue streams in the economy. This rapid growth coupled with the recent development of Iceland's tourism industry makes it the perfect case study for how to effectively mitigate tourism influxes. This unprecedented rate of growth impels the creation of sustainability measures within this industry in order to ensure a lasting vision of Icelandic tourism in the future. Both the government and private sector have already begun to institute sustainability measures in society and in business. The primary aim of this study is to create a macroscopic picture of what drives sustainable tourism in Iceland by determining what has shaped the industry thus far. Interviews were conducted with a government official, the leader of a privately-funded tourism organization, and employees in tourist companies in order to gain insight into the industry. Various secondary sources such as economic reports from the Icelandic government and tourism anthropology papers provided a basis for analyzing the interview data. The overwhelming conclusion from this research was that the creation of sustainable tourism relies on accountability and quality assurance, transparency of shared knowledge, and most profoundly, a commitment to ethical business practice. This research reflects that business guided by ethics was the primary factor motivating people within the tourism sector to institute sustainability measures. Testimonies from both government officials and employees in the private sector reflects that the success Iceland has had so far in mitigating the tourist influx has been reliant on their singular mission of sustainability. Looking forward, maintaining sustainability within the industry will rely on continued partnership and commitment to ethical business.

III. Introduction

a. Impact of tourist influx

In the last decade, the total number of foreigners to visit Iceland has increased from half a million in 2010 to almost two million in 2016 (Óladóttir, 2017). For a relatively “young” country like Iceland – having gained its independence from Denmark in 1944 – this rate of growth is almost unprecedented, given the corresponding infrastructure required to support this influx of foreigners. The growth of tourism has a multiplier effect on Icelandic society, affecting the economy through job creation and foreign spending, culture through shifting demographics, and the natural landscape of Iceland through increased foot traffic and resource utilization. Given that the population of Iceland is a mere 350,000 people, the infrastructure of Icelandic society is fundamentally suited for half a million people, not 2.5 million people, which is the number of tourists Iceland welcomed last summer alone (Óladóttir, 2017). Government officials predict that this growth will only increase in the coming years, underlining the need for not only rapid growth, but sustainable growth. This presents a dilemma, to both the government and the private sector, of how to innovate Icelandic business practice and structure to accommodate this level of growth.

Already, this phenomenon has altered the structure of the Icelandic economy, seeing as the share of tourism in the Icelandic economy has grown from 23.7% in 2012 to 39.2% in 2016 (Óladóttir, 2017). In fact, the tourism industry, which includes all operations of Icelandic tourism companies on and off the island, brought almost 500,000,000,000 ISK in 2016 (Óladóttir, 2017). The bulk of these inbound expenditures come from accommodation/food and beverage service, and air and road transportation (Óladóttir, 2017). The travel agencies sector accounts for only 12% of revenue, highlighting that tourism impacts every aspect of Icelandic society, not simply those areas geared towards foreign visitors. Iceland’s unemployment rate is among the lowest in the world, averaging around 2.0% in the last year (Trading Economics, 2017). It appears that the steady drop in unemployment from 8-9% in 2010 to 2-3% in 2017 corresponds with the influx of tourists in the last decade, implying that job creation from tourism has been significant. This claim is supported by the fact that employment in the tourism sector, from hotels to air travel to travel agencies, has increased by almost 60% each year since 2012 (Óladóttir, 2017). A rate of job creation this steep has been beneficial to the economy, as reflected in a steadily decreasing

unemployment rate. In order to accommodate coming years of tourism, the government of Iceland and the private sector must figure out how to sustain this level of unemployment and revenue from the tourism share of the economy.

The tourist experience of Iceland is created, in part, by the fabric of Iceland's heritage: the natural beauty of the landscape, and increasingly, the multicultural atmosphere of the capital city, Reykjavik. As with any blossoming tourist destination, the culture of a city or destination tends to become more reliant on its functionality as a place for foreigners instead of its citizens. The "marketer created destination image" is a term used to describe the atmosphere of a place created by the non-foreigners to serve foreigners (Lynch and Tinsley, 2001). The epitome of a tourism agencies' purpose often boils down to the visitor's experience in a place, seeing as in order to ensure revenue, there must be some sense of guaranteed pleasure from the tourists themselves. Dr. Ross Tinsley, a tourism specialist and lecturer at Edinburgh Napier University, defines a tourist destination as:

"a system containing a number of components such as attractions, accommodation, transport, and other services and infrastructure". Each of these components is "dependent upon other parts for success in attracting, servicing, and satisfying the tourist" (Lynch and Tinsley, 2001).

In Iceland, this image is mostly reliant on the natural landscape and the culture of Reykjavik. In a poll used to reveal the decision-making process of why foreigners come to Iceland, 83% of tourists polled in the summer months said they were coming for nature, 57% answered with the more ambiguous "always wanted to visit", and 34% said for Icelandic culture and history; these three categories represent the top reasons people visit Iceland (Óladóttir, 2017). Given an inherent focus on the tourist experience, the culture of Reykjavik, or smaller cities like Akureyri and Ísafjörður, will be tailored to fulfill the wants and needs of tourists. Already, Reykjavik has experienced population diversification as it welcomes new citizens from all over the world. In addition, rising rent costs in center city have forced citizens into the suburbs and made way for hotels, souvenir shops, and restaurants; in effect, creating a "tourist city" (Arctic Circle Conference, 2017).

Iceland's natural landscape is the primary reason people visit the island, so the preservation of these features is expected to be at forefront of the sustainable tourism conversation. Preserving these stunning features for future generations may require regulation of certain areas, restructuring of land around a certain feature, and limitations on the number of tourists allowed to visit each season. Currently, many features in Iceland are incredibly accessible with and without a tour group. It may be considered shocking to many people that tourists have free reign to climb on Sólheimajökull, one the most famous glaciers in Iceland, known for its rapid rate of recession. Although tours are offered to take people far onto the glacier, there is an "open climb" policy, meaning anyone can enter the glacier at any time. Many other natural features in Iceland are like this, allowing tourists to get very close to or directly onto it. While the ability to see things up close is certainly a draw for many people, the increased foot traffic has already begun to mark the landscape, mostly in the northern highlands. Tourists seeking an authentic nature experience are able to travel either in camper vans or on foot to areas without marked paths or infrastructure. Iceland's volcanic soil is more delicate than most, and highly susceptible to erosion. "There are not enough park rangers or regulations in place to manage this type of travel", says Dr. Rannveig Ólafsdóttir, as associate professor of tourism at the University of Iceland (Arnarson, 2012). Preserving the stunning features of Iceland's landscape will thus require some level of policy implementation to regulate the number of tourists who can visit sites and to regulate the areas to which tourists have direct access (Arnarson, 2012).

b. Definition of "sustainable"

The word "sustainable" is used frequently in this paper, making it imperative to establish the parameters of its definition. Sustainability has become a buzzword in climate change dialogue, often thrown into presentations or onto products to make them appear more desirable. One of the subjects interviewed for this research even acknowledged this frustrating truth, explaining that the word is now used so often that people who use it don't even have a clue as to what it really means. Various iterations of its definition exist, all with a similar underlying idea of creating processes that are not only efficient, productive, and beneficial *now*, but also in the future.

Ceppi Giulio, a research doctor in Industrial Design at the Politecnico di Milano, acknowledges the ambiguity of this word, explaining that it is “the object of misunderstanding and mystification; it is a word open to a series of meanings, differentiated by disciplines and semantics, but often confused and interrelated between them” (Giulio, 1995). Giulio goes on to explain that the lack of clarity in its definition arose from diverging cultural perceptions of climate change. There needed to be a middle ground between those who wholly invested in fighting climate change – emotionally, spiritually, physically – and those who were more defeatist, and casually discussed – and at some level, prophesized – the end of the world (Giulio, 1995). Thus, the word “sustainable” entered the public consciousness as a reconciliation between these perceptions, as a term more open and fluid than “ecology” or “ecological”. In this way, “sustainable” refers to more than the science; it also encompasses the culture, the politics, and even the sentiment of the object being discussed. Following this logic, sustainable tourism refers not only to how the industry makes business decisions to preserve the environment, but also how they make business decisions to take care of their employees, their customers, and their profits. So, this type of tourism can cater to the ethical tourist, and also “simultaneously fulfill[s] the needs of different parties involved: delivering revenues and profits to the tourism industry, responsible travel experiences to the increasingly wealthy tourist, and economic growth combined with environmental and socio-cultural protection to host countries and communities.” (Lansing and DeVries, 2007). Although the term “sustainable tourism” is sometimes used as a marketing ploy to widen an agency’s prospective customer pool, it can also define a set of guidelines that can change the way a tourism agency conducts business. Whether or not a business chooses to follow through with these guidelines, comes down to ethical decision making (Lansing and DeVries, 2007).

a. Tenants of Sustainable Tourism

As defined by the World Commission on Environment and development in 1987, sustainable processes are those that “meet the needs of the present without compromising the ability of future generations to meet their own needs” (Sustainable Development, 2011). Various iterations of this definition exist, all with a similar underlying idea of creating processes that are not only efficient, productive, and beneficial *now*, but also in the future. Following this fundamental idea, “sustainable tourism” applies this ideology to the tourism industry, attempting

to make processes that exist within tourism effective and responsible in the long-run. The World Tourism Organization's (WTO) section on ethics and social responsibility highlights the pillars of sustainable tourism as social, cultural, economic, and environmental responsibility. The WTO goes on to break these ideals down into ten principles:

Article 1: Tourism's contribution to mutual understanding and respect between peoples and societies

Article 2: Tourism as a vehicle for individual and collective fulfilment

Article 3: Tourism, a factor of sustainable development

Article 4: Tourism, a user of the cultural heritage of mankind and contributor to its enhancement

Article 5: Tourism, a beneficial activity for host countries and communities

Article 6: Obligations of stakeholders in tourism development

Article 7: Right to tourism

Article 8: Liberty of tourist movements

Article 9: Rights of the workers and entrepreneurs in the tourism industry

Article 10: Implementation of the principles of the Global Code of Ethics for Tourism

(World Tourism Organization, 2017)

The above principles are specific examples of what tourism agencies across the globe should strive to achieve in order to be sustainable. As referenced above, indices for sustainable development involve human rights, environmental protection, and economic well-being.

b. Research justification

The justification of this research is both professional and personal. Not only is this research beneficial for Icelandic tourism development, but also for tourism development around the world. In an era of climate change and rampant social and political unrest, the creation of businesses and societies founded on sustainability is imperative. We must visualize and create a future that will exist not only for our children, but for our children's children.

Conducting research that addresses sustainable business is of great importance anywhere, but particularly in the United States. Given the recent inauguration of Donald Trump, sustainability is at the forefront of many Americans thoughts. When the government appears to take no interest in preserving the well-being of the planet, the people must absorb that responsibility and become

the stewards of the earth. In this way, I find the development of sustainable business in the United States necessary.

My family owns a fruit ranch and farm store on the western slope of the Rockies in Paonia, Colorado. Paonia is becoming more of a tourist location each year, especially after the collapse of the local mining industry, which supported almost the entirety of the Paonian economy. Tourism is beginning to flourish in Paonia, which is unsurprising given its ideal, naturally beautiful location in the foothills of the Rockies and charming feel to the town. Due to the fruit farm being handed down over many generations, my family's and my own stake in the town is rooted both in business and history. Thus, this research is especially meaningful for me, as it has the potential to help address the issues my family members, and millions of other people, are facing right now. Although the culture of Iceland is drastically different than the culture of a small, American mountain town, I anticipate that the fundamental solutions to sustainable business are applicable regardless of location.

IV. Methods

a. Interviewee background

The following four people were interviewed for this research: Eiríkur Björn Björgvinsson, Ásta Kristín Sigurjónsdóttir, Sigurdur Jonsson, and E. Berglind Viktorsdóttir. Eiríkur Björn Björgvinsson is the current Mayor of Akureyri, the second biggest city in Iceland. Björgvinsson took office in 2010, having previously served as the Mayor of Fljótshálsa for 8 years. Ásta Kristín Sigurjónsdóttir is the acting CEO of the Sustainable Tourism Cluster in Iceland, an organization aimed at fostering collaboration and partnership between participating tourism companies. The SLC hopes to make the industry more sustainable by improving the quality of services provided, and making changes to how tourism companies interact with their customers and with the environment. Sigurjónsdóttir has been involved with business development, sustainability, and tourism for almost 15 years, having previously served as the Employment and Development Manager in Fjardabyggd and the Representative of Innovation and Development in Austurbrú. Sigurdur Jonsson is the captain and owner of Aurora-Arktika, a boating tourism company based out of Ísafjörður. Aurora-Arktika was initially founded in 2006

as “Boreal Adventures”, and was eventually renamed “Aurora-Arktika” when Jonsson quit his other job as a shipbuilder in 2008 and became a tour guide full-time. Aurora-Arktika prides itself on providing access to remote Icelandic and Greenlandic landscapes, and a close-knit, familial feel with the crew and with other guests. E. Berglind Viktorsdóttir is the quality manager at HeyIceland, a travel agency based out of Reykjavik which specializing in travel to the Icelandic countryside. The inception of HeyIceland was in 1980, when a few farmers rented out rooms to interested travelers. Since then, it grew into the Icelandic Farm Holidays Association, a network of farmers and travel agents interested in providing the “Icelandic farm” experience. The IFH was renamed HeyIceland only a few years ago to increase marketing accessibility, but still focuses on connecting travelers with farmers in the countryside. Viktorsdóttir has worked at HeyIceland for 15 years, ensuring that the partners and guests engaging with the company were receiving the best possible care.

b. Informal interviews – government and private sector representatives

In order to gain insight from both the government and the private sector on sustainable tourism, a representative from each sector was interviewed during the five-week research period. Eiríkur Björn Björgvinsson and Ásta Kristín Sigurjónsdóttir were initially contacted at the Arctic Circle Conference, an annual science and policy symposium about climate change in the Arctic. I attended breakout sessions geared towards sustainable tourism, and both participants were sitting on discussion panels at these talks. I approached both Eiríkur and Ásta after the sessions, and inquired about discussing their ideas about tourism further at a later date. A few emails were exchanged between myself and the participants in the weeks following the conference. In the emails, I formally introduced myself and explained what my research was about. After each participant agreed to meet, we found a time and date that worked for both of us. Both interviews were conducted at Kaffibrennslan, a small café situated in the center of Reykjavik, at Laugavegur 21. This location was chosen due to its central location, and upstairs section that is relatively quiet in the afternoon.

Both Mr. Björgvinsson and Mrs. Sigurjónsdóttir met me at the café on different days, and both signed a release form¹ before I began the interviews. The interviews lasted about an hour

¹ Full informed consent release form found in appendix

each, given that they took place on week days during work hours. The structure of the interview was fairly simple; each one was comprised of me asking previously-determined questions and responding to their answers in order to foster further discussion. The questions I asked each person were similar, but also tailored to each person depending on their profession. The following questions guided my discussion with both Mr. Björgvinsson and Mrs. Sigurjónsdóttir.

Mr. Björgvinsson

1. What has the city of Akureyri done to promote sustainable tourism?
2. How has the tourist influx impacted city infrastructure?
3. Are the citizens of Akureyri concerned about the influx of tourists?
4. What should the goals of sustainable tourism be?
5. What does the future of tourism look like in Iceland – in five or ten years?

Mrs. Sigurjónsdóttir

1. What are the goals of the Sustainable Tourism Cluster (STC)?
2. When a company becomes a part of the cluster, what guidelines do they agree to?
3. Is being sustainable mutually exclusive with making profit?
4. Are you worried about the negative impacts of tourism, mostly on the landscape?
5. What does the future of tourism look like in Iceland – in five or ten years?

Although the above questions were utilized as guidelines in the conversation, I intended these interviews to feel more conversational than formal. Often, the conversation veered towards something I hadn't previously considered and, in those cases, we chose to further explore those topics rather than return to questions. For example, Mr. Björgvinsson ended up talking about cruise ships and camper vans, and how they're changing the tourist landscape in Iceland.

I should clarify that the goal with these interviews is not to extrapolate either person's opinions to the entirety of the government or the entirety of the private sector; in order to do that, I would need many more interviews with people involved in each sector. In this case, each participant's professional distinction as both a Mayor of the second biggest city in Iceland and as a CEO of a large tourism cluster allowed us to have macroscopic conversations about the industry as whole, and about how the private sector and government interact with tourism.

c. Informal interviews – tourism companies

Two tourism companies were formally interviewed for this research: HeyIceland and Aurora-Arktika. I found HeyIceland on the Sustainable Tourism Cluster’s website, listed as members of the cluster. Upon further research into its history and mission statement, I decided to reach out through an online form to see if a representative would be willing to speak with me about sustainability in Iceland. I was then contacted via email by Mrs. Viktorsdóttir, and we found a time to meet at the HeyIceland office, located in Reykjavik. Mrs. Viktorsdóttir and I spoke for approximately 90 minutes, during which she showed me a PowerPoint on the history and mission of HeyIceland. We spoke extensively about the ownership structure of HeyIceland, which she considered to be the most unique feature of the company. The following questions are what guided my conversation with Viktorsdóttir:

1. What does HeyIceland do to be more sustainable?
2. What does the ownership structure of HeyIceland look like? Is it completely privately owned?
3. Are there any laws or ordinances passed by the Icelandic government that benefit you?
4. What standards, if any, have you agreed to follow by the SLC or any other environmental quality-assurance organization?
5. What is the most unique component of HeyIceland?

I took notes during the interview, mostly to quote her and capture ideas not expressed on the PowerPoint. I was given a brochure before I left, and later that day, was sent a hard copy of the PowerPoint in an email. In the same email, Viktorsdóttir included some thoughts about HeyIceland’s recent initiative to build infrastructure for electric cars, a topic we had not gotten the chance to discuss. My conversation with Viktorsdóttir was an essential addition to my interview methods, as it allowed me to see the perspective of a large tour company on sustainability. Coupled with the more macroscopic, top-down discussion about tourism with Björgvinsson and Sigurjónsdóttir, this conversation enabled me to see the impacts of companies committing to the SLC standards, and what implementing them looks like day-to-day.

It was at the arctic circle conference that I first contacted Sigurdur Jonsson, the captain of Aurora Arktika, a tour company based out of Ísafjörður. Mr. Jonsson was on the panel for the breakout session “Responsible Tourism in the Arctic”. After introducing myself directly following the

talk, I approached him again at a reception that evening, and asked him about Aurora Arktika, and his perspectives on sustainable tourism. We spoke casually for 20 minutes, at which point I asked him if I could reach out again via email to talk further. We then planned a skype session a few weeks following the conference. The skype call lasted around 30 minutes, and I asked the following questions:

1. Can you describe your business model in further detail?
2. Since the inception of your business in 2006, have you always wanted to be “zero-sustainable-growth?”
3. How has the landscape you see on your tours changed in the last decade?
4. Why do you stay in business? What do *you* get from Aurora-Arktika?

Our discussion was lucrative in that it provided a counter-claim to many of the ideas and methods of sustainable tourism discussed with Björgvinsson, Sigurjónsdóttir, and Viktorsdóttir. His emphasis on small-scale, easily-implemented, simple business management provided an alternative perspective on what long-term, sustainable tourism in Iceland should look like.

V. Ethics

Given the inclusion of human subjects in this project, acknowledging research ethics is paramount. As set forth by the Independent Study Project guidelines, the methodology of any social science project that involves interacting with people requires not only that “appropriate consideration is given to informed consent, anonymity, and confidentiality of research participants”, but also that human subject policies are respected throughout (ISP Guidelines, 2017). As discussed in the release form, the risks involved in this research are incredibly low. Given the low-stakes nature of the interviews, there were no feasible risks to the participants. By maintaining proper research integrity throughout – direct quoting, close listening, and good note-taking – there was little-to-no chance that there was any misinformation or confusion of what information was communicated.

The key difference between my research and other research involving human subjects is that the study itself is not *about* the interviewees themselves, as many studies are. Research whose focus is the human subjects themselves are often more concerned with ethics, given the topic of

the study may disclose things about the subjects that puts them at risk, thus the need for confidentiality. Unlike human-centered research, the aim of these interviews was not to learn more about who the subjects were; it was instead about their profession and their opinions on a topic external to their inherent self. The focus of the research on a topic rather than the subject themselves made it unproblematic to identify them in this paper. As previously stated, being distinguished in their professions the only selection criteria, and anything about them beyond was irrelevant to data collection.

VI. Results

a. Business Ethics

The common theme throughout the discussion with Mr. Björgvinsson about tourism was that the city has a desire to promote the “right” kind of tourism to attract the “right” kind of tourists (personal communication, 27 October). When prompted to further explain what the “right” kind of tourism implied, he explained that the city – and perhaps the country as a whole – will be an example of sustainable tourism by fulfilling principles similar to those outlined by the WTO (2017), and in turn, an industry based off of these principles will attract tourists who will respect the culture and environment of the country (personal communication, 27 October). In Akureyri, the government and the private sector are attempting to create a specific image of the city, as someplace “in the country but in the city”, where people can experience the stunning geology of Iceland and the charm of small city life (personal communication, 27 October). Creating this experience, as Mr. Björgvinsson explained, is contingent on protecting both the culture and the economy of the city. As outlined in a government-issued carbon-neutrality report, the city is attempting to make changes that will positively impact its citizens, *and* its tourists (Akureyri Carbon Neutral, 2017). In addition to measures that direct citizens directly, like improved waste management, food disposal, and carbon-conscious forestry, the government is making changes that bolster and improve the tourist experience, such as free public transportation, better walking and biking paths, and more outlets for electric vehicles (Akureyri Carbon Neutral, 2017). He later added that “tourism companies want tourists to come back”, and the Akureyri government hopes to see the city support tourism for decades to come (personal communication, 27 October).

During the conversation with Mrs. Sigurjónsdóttir, she highlighted several goals and projects of the Sustainable Tourism Cluster. The general premise of the STC is to “enhance competitiveness and increase the value of Icelandic tourism” (Ferdamalastofa, 2017) and this can be done by adhering to the following principles:

- Promote and strengthen communication and cooperation
- Highlight any kind of innovation in the field of tourism
- Contribute to increased professionalism and quality
- Promote the industry’s infrastructure

**translated from Icelandic*

The cluster is an initiative of over 310 private and public companies (with the public companies having the same rights and opportunities as the private ones) who have all agreed to the above principles outlined by the STC and have goals to promote environmental sustainability and business responsibility (personal communication, 3 November). When I asked Mrs. Sigurjónsdóttir what percentage those 310 companies make up of the total number of tourism agencies in the country, she explained that with the relative ease it requires to get a tourism license in Iceland, there are about 2500 total licensed agencies; however, the 310 companies in the STC represent over 90% of tourism revenue in the country (personal communication, 3 November). The methodology of the STC revolves around communication, transparency, and teaching. In addition to organizing meeting between industry leaders, the STC hosts sessions to teach its members what adhering to the above principles looks like. Mrs. Sigurjónsdóttir added that it’s clear that those companies who choose to participate frequently in these sessions have a higher success rate implementing the proposed changes (personal communication, 3 November). In additions to these sessions, the STC invests in specialized projects, aimed at addressing specific concerns within the industry. In January of 2017, over 300 companies signed an initiative called “Responsible Tourism”, set forth by the Sustainable Tourism Cluster, Festa, the Icelandic Travel Industry Association (SAF), and the Icelandic Touring Class (Ferdamalastofa, 2017). The purpose, as outlined on the website, is “to promote Iceland as an optimal destination for tourists in the near future, which supports sustainability for future generations of the nation” (Ferdamalastofa, 2017). By signing, these companies agree to do the following:

- Walk around and respect nature

- Ensure the safety of our guests and deal with them with tact
- Observe employee rights
- Have a positive impact on the local community

**translated from Icelandic*

Mrs. Sigurjónsdóttir explained that agreeing to these tenants benefits the involved companies in variegated ways, which becomes especially clear in the long run (personal communication, 3 November). Of all the benefits companies enjoy, including increased visibility in the industry, attendance to the seminars, and lucrative partnerships, the most impactful is knowledge transfer (personal communication, 3 November). Knowledge transfer within the tourism industry is a complex web of relationships and interactions, as represented in the graphic below:

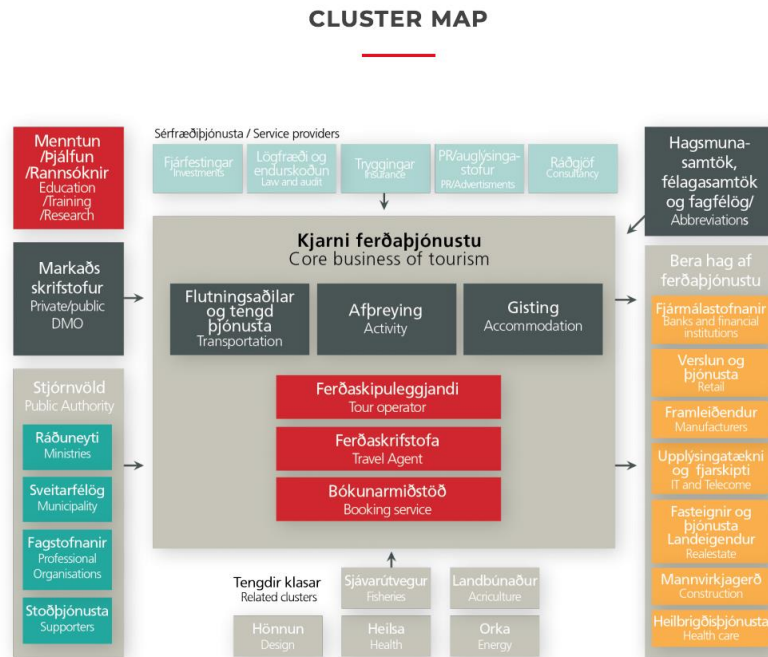


Figure 1: tourism cluster map (Ferdamalastofa, 2017)

The boxes represent the flow of knowledge and resources between different sectors of the Icelandic tourism sector. This graphic highlights the far-reaching impact that tourism has on Icelandic society, culturally, politically, and economically. By ensuring that the flow of knowledge between these sectors is in line with the principles set forth by the STC, the industry itself will then reflect these very principles. “It’s an investment in knowledge” that makes a difference, Mrs. Sigurjónsdóttir concluded, and at the end of the day, “it’s about the mindset of

the companies involved” more so than any law or policy, that imparts lasting change (personal communication, 3 November).

Mr. Jonsson’s purpose as the owner of the ship and tourism company *Aurora-Arktika* is simply to have a good life. “The goal was never to start a business, grow, and sell it” he explained; instead, the aim of his business is to provide people with meaningful, fun experiences that they will remember for years to come (personal communication, 15 November). He initially bought Aurora, his first boat, in 2006. For the first two years, he would take customers, friends, and family out on his boat exclusively in the summer months, making his business more of a hobby. In 2008, he officially left his other job as a shipbuilder and committed to Aurora-Arktika (which at that point was called Boreal Adventures) full time. Mr. Jonsson stressed that in his marketing strategy, he wanted to be clear that this was not a luxury cruise vacation, or a typical holiday sailing experience. By living on the boat with the customers, eating meals, and doing all off-boat activities together, the crew is able to build a sense of unity and family-feel with the guests (personal communication, 15 November). “That’s the key” Mr. Jonsson explained, that “once people start to get into the on-boat atmosphere and living style, that’s when they start to really feel at home.” (personal communication, 15 November). The last thing he wants to do is preach, lecture, or try to inspire people, because to him, this feels fake and often has the opposite effect by putting people off. Instead, by living a good, true life in nature, these moments of learning, inspiration, and revelation happen on their own. He added that climate change often becomes a topic of conversation completely organically, as the guests observe their surroundings and become curious as to how they have changed with time (personal communication, 15 November).

When I inquired about his “zero-sustainable-growth” business model, he was reluctant to call it a business model. There is no exact methodology to zero-sustainable-growth, no guide to follow. Instead, there is a desire to share a valuable experience with others, and the need to make only enough money to cover operating costs and provide employees with a sufficient salary; “it’s as simple as that” (personal communication, 15 November). Mr. Jonsson was even a bit hesitant to call his business sustainable, given that “the word sustainability has become a sort of marketing gimmick, even an oxymoron” he says, continuing on to explain that many tourism

agencies all around the world will use the word casually, with the sole purpose to expand their market (personal communication, 15 November). At *Aurora Arktika*, sustainability efforts revolve around meals, transportation, and of course, the zero-growth model. Over 80% of the food consumed on the tours is from fishermen and businesses local to the areas the boat visits (Aurora-Arktika: Skiing, hiking, kayaking and wildlife expeditions in Iceland, Greenland). Although the two main boats, aptly named “Aurora” and “Arktika”, use fossil fuels, the company also owns sailboats which are used to travel shorter distances away from the main boats. Interestingly, Mr. Jonsson added that “we don’t pretend to be sustainable,” and he and his crew are always trying to reduce the impact they have on their surroundings (personal communication, 15 November).

Mr. Jonsson also claims to be a bit of a selfish person in that he is only wanting a nice life for himself and his ability to share his passions with other people in the same way he would do so with friends and family is a privilege. Fulfilling his life passions is inherent in this business, and sharing the experiences with others is what creates a profitable business. “I’m not following any rules...I’m not here to save the world”, he says; he’s here to live a full, meaningful life in such a way that has as small of an impact on the natural world as possible (personal communication, 15 November).

b. Necessity of business partnership

Both the interview with Mr. Björgvinsson and Mrs. Sigurjónsdóttir underline that the success of sustainable tourism relies on a strong, flexible, and committed partnership between the Icelandic government and private sector. Interestingly, the necessity of this partnership became most evident in past failures more so than past successes.

Mr. Björgvinsson described a phenomenon in Akureryi that seems unprecedented in Iceland: an electricity shortage. This shortage was first mentioned during the breakout session, “Responsible Tourism in the Arctic” at the Arctic Circle Conference and was discussed more in depth during the interview. “The grid is too small”, Mr. Björgvinsson explained adding that, although electric energy is abundant in Iceland, grid expansion and the construction of electric power plants is incredibly dependent on where the industry is (personal communication, 27

October). Favoring industry-heavy locations is only sensible if Iceland's citizens are also included in the grid, and provided with enough electricity. Currently, the largest electricity provider in Iceland, Landsvirkjun, is an entirely public entity, owned and operated by the state since January of 2007 (Landsvirkjun, 2017). Historically, this was not the case, as Landsvirkjun was initially established in 1970 as a private company aiming to fill the energy gap left by local governments and municipalities, who were unable to finance new projects at the time (Landsvirkjun, 2017). From its inception as a private company to its eventual ownership by the government, Landsvirkjun went through various periods of partial government, partial private-industry shareholdings. Landsvirkjun now sells all of its electricity to private retailers, and often directly to industry themselves (Landsvirkjun, 2017). Past complex ownership history coupled with industry favoritism is contributing to the current electricity shortage in Akureyri. An electricity shortage makes supporting tourism challenging, given that electricity is a basic function for any city's infrastructure.

During the Arctic Circle Conference, the breakout session "Challenges and Possibilities in the North: Emerging Markets and Sustainability in Arctic Tourism" provided a great deal of insight into how the failure of a partnership between the government and private sector can make sustainability more challenging. When prompted to discuss how Iceland has responded to the tourist influx, Helga Árnadóttir, the managing director of Icelandic Travel Industry Associations, expressed that in the first few years of the industry's extreme growth, the city of Reykjavik was not entirely prepared for the sheer number of tourists, thus most of the burden fell on members of the private sector, and businesses in the city (Arctic Circle Conference, 14 October). The failure of the government of Reykjavik to have measures in place to help absorb the shock of the tourists forced businesses in the city to have to respond much more rapidly. The impacts of this disproportionate burden can be seen in the pricing-out of Reykjavik citizens from their homes and city ordinances or laws that don't help local businesses as much as they should.

Even though the electricity shortage highlights issues arising from poor government-private sector partnership, responsible partnership is also exemplified in the Akureyri, mostly by its long-standing ability to absorb increasing numbers of tourists. Mr. Björgvinsson explained that Akureyri was able to do this because 20 years ago, the city anticipated an increase in tourism

in the following decades, and chose to immediately start to partner with local business to prepare for it. “It was always what *we* can do” Mr. Björgvinsson affirms, not what the government or the businesses can do alone (personal communication, 27 October). With this mindset, both parties benefit from increased tourism, rather than one bearing burden disproportionately. When I inquired as to how the city anticipated this influx, and subsequently knew how to handle it, he said “sustainability is about the environment, economy, *and* culture”, and by approaching the issue with this in mind, the inevitability of a partnership becomes clear; no one sector or on one business can bear the burden alone (personal communication, 27 October).

Business relationships exist not only between the government and the private sector, but within the private sector itself, which was discussed at length during the interview with Viktorsdóttir. As previously mentioned, HeyIceland first started in 1965 as a partnership between several Icelandic farmers who wanted to share a farm-life experience with interested visitors. By 1980, the organization had grown significantly, and was renamed the Icelandic Farm Holiday Association. The IFH was created to ensure certain standards were being met during the tours, and that development of tourism in rural areas was happening responsibly. In 1991, the IFH founded a separate, booking agency to help handle increased demand for farm tours; this booking agency is what is now known as “HeyIceland” (Viktorsdóttir, 2017). The ownership of HeyIceland is what makes the company so unique, Viktorsdóttir explained, given that members of IFH have the opportunity to buy and own direct shares of the company and farmers that initially started the IFH were given first opportunity to own shares in the company (personal communication, 15 November). This style of ownership reflects HeyIceland’s intention to being revenue back to the locals, and make sure farmers involved are always directly profiting from their partnership with HeyIceland. To ensure good business practice on both ends, farmers ensure HeyIceland a certain share of their rooms and services each season, seeing as “good access is fundamental to selling” (personal communication, 15 November). The positive business partnership between HeyIceland and the Icelandic Farm Holidays Association is what makes each of them so successful, Viktorsdóttir maintained, given that this partnership not only protects profit loss to big agencies like Booking.com, but ensures that the tourists’ experience is exactly what each intends it to be (personal communication, 15 November).

c. Accountability and quality-assurance standards

Quality assurance in tourism involves standards for the tour experience, business management, and the environment. As explicitly stated by Viktorsdóttir during our interview, quality assurance for HeyIceland is paramount to the success and growth of business. As quality assurance manager, Viktorsdóttir aims to ensure that every aspect of HeyIceland, particularly the ways HeyIceland chooses to market itself, is the best it can possibly be. “It’s about feeling good” Viktorsdóttir explained, “taking care of people in a respectful way” (personal communication, 15 November). Making sure that the tourist has a meaningful experience – which is often measured in their likelihood to take the tour again or recommend the tour to others – depends on the standards HeyIceland sets for itself. She added that membership with organizations like the Sustainable Tourism Cluster not only clarify what the goals of sustainable tourism should be, but holds the company accountable for following through with those goals (personal communication, 15 November). When I asked Viktorsdóttir what prompted the company to join the SLC, she said that HeyIceland chose to join the cluster because the owners and shareholders know that adhering to standards that address everything from employee rights to waste management makes the experience *better* for the customer (personal communication, 15 November). Viktorsdóttir believes that keeping business transparent, collaborative, and ethical allows the company to “share the right message with the right market,” encouraging people to choose HeyIceland because it chooses ethical business practice (personal communication, 15 November).

Another measure of quality assurance revolves around environmental protection. There are a variety of national and global standards that exist for environmental certification, and HeyIceland has used (and currently uses) a variety of them. “Since 2002, we’ve had our ups and downs with environmental certifications” Viktorsdóttir said; it’s challenging to find a certification standard that works for *all* involved parties (personal communication, 15 November). Initially, HeyIceland used Green Globe, a global certification company specifically for sustainable tourism. Green Globe uses the same four implementation criteria as the STC: sustainable management, cultural heritage, social/economic, and environmental (Green Globe, 2017). The company then moved onto a New Zealand-based organization, EarthCheck, described on their website as a “scientific benchmarking certification and advisory group for travel and tourism” (Earthcheck, 2017). Similarly, to Green Globe, EarthCheck did not work for

HeyIceland due to the cost of certification and time commitment. The certification standard that ended up working most effectively for HeyIceland was Vakinn, the official Icelandic quality assurance organization for sustainability. Vakinn is owned by the Icelandic Tourist Board, a component of the Ministry of Industry and Innovation (Vakiin Quality and Environmental System, 2017). HeyIceland members proudly display their Vakinn certification, an indication that they are practicing environmentally and socially responsible business. HeyIceland also uses the Nordic Swan, an eco-labeling scheme that tracks how a product or service impacts the environment through all stages of life or production, and evaluates how significant this impact is. The Nordic Swan is the most prestigious environmental certification for the Nordic countries, Viktorsdóttir said, and HeyIceland is proud of its three partner hotels who currently have the swan (personal communication, 15 November).

I asked Viktorsdóttir about the impacts of certification, and she said that in addition to widening HeyIceland's network of sustainable travel partners, having to be accountable to another agency for these standards clarifies what exactly needs to be done to be more sustainable. However, the external certification is only a part of the quality assurance at HeyIceland. She added, "we have printed sustainability into the minds of our members" by showing a consistent commitment to sustainability at HeyIceland, and teaching members that making changes will benefit them in the long run through increased access and success in their desired market and customer base (personal communication, 15 November). "It's the right thing to do" Viktorsdóttir concluded, and by following these standards, HeyIceland hopes to pave the way for a thriving sustainable tourism market in Iceland (personal communication, 15 November).

Accountability exists at all levels of business and partnership. On 4 October, 2017, the Sustainable Tourism Cluster officially signed the United Nation's World Tourism Organization's (UNWTO) Private Sector Commitment to the Code of Ethics, only one of two companies to yet do so (personal communication, 3 November). The SLC must report to the World Committee on Tourism Ethics on the ways in which they are implementing responsible business practices to their cluster members. Sigurjónsdóttir maintained that by keeping the communication channels open and the flow of knowledge transparent, there is a high chance of success in not only staying

in line with the WCTE standards, but imparting those same standards on their members (personal communication, 3 November). The reason the SLC chose to sign this agreement is perhaps the same reason member companies join the cluster: “both [because] it is the right thing to do and also that we are responsible to take actions in what we want to do and need to do” (personal communication, 3 November). In addition, there needs to be some standard for accountability, in order to ensure that members remain motivated towards these common goals.

VII. Analysis

Business guided by ethics was the common thread running through all four interviews. Although each interviewee discussed ethics in a manner unique to his or her organization, all discussions could be summarized as organizations with a shared mission and similar values. Creating a culture of ethical business is reliant on these missions and values; and in fact “for an organization to both survive and thrive, mission and values must be an integral component of an organization's strategic focus... it represents the lifeblood of [that] organization” (Ardichvili, Mitchell, and Jondle, 2009). Factors interacting with mission and values include process integrity, long-term perspective, stakeholder balance, and leadership effectiveness (Ardichvili, Mitchell, and Jondle, 2009). In this way, if the mission and values of an organization are well-defined and put into practice, it is simpler to align all other aspects of that business with the desired ethical code. This definition can be extrapolated to the Icelandic tourism industry in that it describes the choices made by various organization and people that are in line with fostering sustainability, cultural preservation, and long-term economic growth. Mission and values was a common theme in the conversation with Sigurjónsdóttir and Viktorsdóttir, both of whom continually underlined that by creating a culture of sustainability within the leadership structures of both HeyIceland and the Sustainable Tourism Council, encouraging responsible decision-making with members is simple. This is a top-down approach to sustainability, relying on leaders within an organization to set the example, and trusting that the effects will trickle down to their members. A clearly defined mission and a set of shared values allows people in leadership positions, like Sigurjónsdóttir or Björgvinsson, to pass city ordinances, laws, or agreements based off of these ethics, and explain them with the simple, yet profound explanation of: “it’s the right thing to do”.

This focus on ethical business, often discussed as doing something because “it is the right thing to do”, was not only talked about in all interviews, it overshadowed any explicit discussion about environmental sustainability. Environmental preservation was expected to be the primary topic of conversation, considering overall notions of “sustainability” often revolve around preserving the natural world. Whenever preserving the environment was brought up in conversation, it remained a topic referred to macroscopically, under the umbrella of ethical business practice. I expected the interviewees to detail projects that were having a direct impact on reducing their carbon footprint, which did occur with HeyIceland’s electric car project or Akureyri’s efforts to build more pathways and bike lanes (personal communication, 27 October and 15 November). It was not, however, the focus of the conversations, which always seemed to veer back to the “why” of sustainability, rather than the “what.” It is crucial to note that this broad discussion to environmental preservation practices does not necessarily mean that they are less important or less impactful for these organizations, it merely implies that it is a component of this larger vision of ethical business. If environmental preservation is a facet of a broader, mission and values-oriented vision, it is implied that instituting environmental preservation measures would be incredibly challenging, or perhaps unattainable in the long-run, without ethical business practice. It’s clear that HeyIceland, the Akureyri government, and the Sustainable Tourism Council rely on mission-based business practice to foster sustainability in this way.

Mr. Jonsson’s business model provides an alternative perspective to this ethical business discussion. Although Mr. Jonsson’s perspective on Icelandic tourism was counter to many of the methods discussed with the other interviewees, his business model and perspective could be considered extremely ethical. The ways in which he is “selfish” still somehow propel him and his business further into sustainability, which seems to disprove the notion that without an explicit mission of sustainability, it is unlikely that it may be achieved in business. The difference lies within the nuance of his selfishness; for him, being selfish means creating the life he has always wanted, *and* in that process, caring for the planet and for others. His conception of living his dream is not inherently motivated by building his business and making more money, as so many businesses of the 21st century are. To own and operate a business with no intention to grow it or see it expand profits is somewhat un-capitalistic, yet still Mr. Jonsson operates a successful

business with an expanding customer base. For Mr. Jonsson, operating a “zero-sustainable growth” business model means aligning his business practice with his own ethical standards, and trusting that in doing so, people will invest in his business. Unlike larger organizations, Mr. Jonsson doesn’t focus explicitly on inspiring change or teaching people; instead, he trusts that leading by example and making small-scale, day-to-day decisions will make Aurora-Arktika sustainable in the long-run.

The continued presence of business ethics within the tourism industry indicates that operating a business with a clearly defined mission and a set of values that align with environmental preservation and respect for people is integral to fostering sustainability in Iceland. Regardless of the size or reach of an organization, remaining true to a specific set of values is what allows it to operate sustainably. It may be unsurprising to see this devotion to ethics in Iceland, a place where leaders seem conscious of climate change and willing to address it; however, it is perhaps surprising to see ethical decision-making in business, a place where ethics are often lost to profit-motive.

Sustainability was also described as inherently reliant on engaging local communities. As discussed with Mrs. Viktorsdóttir, an essential part of sustainability is the farmers, homes, or people the agency chooses to engage with on the service end. She continued to underline that the most crucial aspect of HeyIceland’s business is *quality assurance*, and an essential proponent of quality assurance is devotion to engaging local businesses and local communities. In choosing to engage with local businesses to stock the shelves of HeyIceland’s business partners, not only do the tourists get a more authentic experience, but the revenue streams within the company stay local. This prevents “leakage”, a term coined by freelance human rights researchers Martin Mowforth and Ian Munt, which describes the phenomenon of money exchanged within the tourism industry that “leaks” out of the host country and into other countries or international corporations (Mowforth and Munt, 2003). This can happen in a variety of ways, including the purchase of imported goods by tourists, industry members using imported goods and services, and repatriated incomes by industry employees (Mowforth and Munt, 2003). Via any of these channels, money exchanged within the Icelandic tourism industry can end up elsewhere, not benefitting the country. HeyIceland and other tourism agencies in the area are experiencing this

loss of profit and business mostly to booking.com, and international booking agency who performs similar services to local tourism agencies. To combat this, HeyIceland encourages its members to use local goods and serve tourists local food, which provides an experience that is both unique and authentic to the area. Not only do these actions make the tourist experience more enjoyable, but it also keeps the profit within these small, countryside communities, making them economically sustainable in the long run.

Creating a distinct sense of place is another measure used to bolster sustainability, and tied in with quality assurance and accountability. Although not referenced directly as “a sense of place”, this idea was continually revisited in the interviews, especially with Viktorsdóttir and Björgvinsson. The sense of place was described broadly by both interviewees as the way the main driver of the tourist experience, and according to Björgvinsson, the phenomenon that will bring tourists back to a place like Akureryi. As we discussed what Akureryi as a city was doing to promote sustainable tourism, it became clear that efforts to become more sustainable as a city – which often boils down to reducing carbon footprint – were analogous with becoming more sustainable as a tourist destination.

Sense of place is crucial in tourism, and particularly crucial in sustainable tourism. Stephen Smith, currently a professor in tourism management at the University of Guelph, and previously the Chair of the Canadian Tourism Commission's Research Committee, recognizes the importance of sense of place within tourism. His definition of “place” is as follows:

“place is an amalgam of destination qualities, including landscape and architecture, history and heritage, and social structures and relationships...”

(Smith, 2015)

He claims that the UNWTO does not fully recognize the necessity of sense-of-place, and there needs to be a more explicit focus on its development. The failure, he says, comes from a conception that “place” is solely geographical instead of cultural or social. In fact, as the above definition suggests, “place” should be a holistic term, which then allows development of a place to include varied efforts in every sector of society (Smith, 2015). By developing a strong sense of place, a physical location can ascend an identity of geographical coordinates, and become more

of an experience. This “experience” is fundamentally unique, in that no other country or society can replicate the cultural heritage, history, or landscapes. Developing a sense of uniqueness is what Icelandic tourism seems to be all about, given each interviewee’s recognition of how Iceland offers something no one else can. Both during the interview with Björgvinsson and in promotional literature for Akureyri, clearly stated was the uniqueness and “one-of-a-kind” experience of visiting Akureyri. By highlighting landscapes, architectural features, and businesses existing only in Akureyri and the surrounding area, the city creates a singular image for itself, unattainable by any other place in the world. “Uniqueness” is what brings tourists back to Akureyri, back to HeyIceland, and back to Aurora-Arktika, which is precisely where sustainability becomes apparent.

As discussed, creating a “sense of place” (SOP) is reliant on marketing the unique history, cultural heritage, and natural landscapes of a place. The ways in which a place creates uniqueness can go hand-in-hand with sustainability, as seen in HeyIceland’s devotion to engaging local service providers, Aurora-Arktika’s uncommon business methodology, and Akureyri’s marketing of city and landscape features only available in and around city limits. Engaging local businesses, bolstering community involvement, and operating on a zero-growth business model are all measures that make a place more sustainable in all facets: environmentally, socially, and culturally. Sustainability is also achieved by marketing an SOP in that if the experience is successful for the tourist, they might revisit or return the following season. When SOP aligns with previously discussed business ethics, the destination is that much more marketable to the demographic of tourists interested in conservation.

VIII. Conclusion

Sustainable tourism development in Iceland is imperative to the country’s success in mitigating both climate change and future tourism influxes. The uniqueness of Iceland’s natural landscape coupled with a growing, multicultural capital city will continue to draw people from all over the world. Local and national governments have commitment to sustainable tourism development and environmental preservation in various ways. Tourism companies in the private

sector have also begun to foster sustainability by partnering with government agencies and accountability organizations.

This research found that there are three main factors crucial to the development of sustainable tourism: accountability and quality assurance, ethical business, and inter-organizational partnership. Accountability and quality assurance involve organizational adherence to a specified set of environmental and social standards, such as emissions limits or employee rights. In Iceland, a network of accountability exists, created by both private, public, national, and international organizations. These quality assurance standards are used to guide sustainable development, by providing businesses with a set of criteria to follow, and inclusion in a collective mission of climate change mitigation. Inter-organizational partnership was another measure used to absorb the recent tourist influx and foster sustainability within the tourism industry. Partnership existed between various government organizations and private organizations, and also exclusively within the private sector. Collaboration between different organizations increased knowledge transparency within the industry, fostered goodwill between businesses, and strengthened overall industry infrastructure; past failures of partnership within the industry made this particularly clear. The final – and most significant – contributor to sustainable tourism development in Iceland was commitment to ethical business. Ethical business was a theme present in almost all literature and in all interviews, signifying its importance in this narrative. Although commitment to ethical business looks different between organizations, in terms of what their explicit mission or methods are, there is similarity in the shared idea of doing something because “it’s the right thing to do.” This research reflects that an organization who commits to ethical business management in tourism find it less complicated to institute measures for environmental preservation, human rights, and economic sustainability.

Given the necessity of business ethics in sustainable tourism, it is suggested that for further study, case studies of business ethics in practice in various industries are examined. Given that much of business around the world is motivated by profit before ethics, a deeper investigation of precisely how companies and governments can foster ethics *and* continue to make profit would be helpful. Additionally, a more comprehensive understanding of what organizations in Iceland are actually doing to foster sustainability would bolster this research, given that the scope of this

study is fairly macroscopic. A closer inspection of how sustainability measures are instituted would increase the comprehensiveness of this paper. Further research into this topic should include not only more interviews with tourism companies and government officials, but should include stakeholder input.

IX. Bibliography

- Ardichvili, A., Mitchell, J., & Jondle, D. (2009). Characteristics of Ethical Business Cultures. *Journal of Business Ethics*, 85(4), 445-451. Retrieved from <http://www.jstor.org/stable/40294807>
- Árnadóttir, Helga. Arctic Circle Conference. Reykjavik, Iceland. October 14th, 2017.
- Aurora-Arktika: Skiing, hiking, kayaking and wildlife expeditions in Iceland, Greenland. (n.d.). Retrieved November 13, 2017, from <http://www.aurora-arktika.com/>
- Earth Check. About. (n.d.). Retrieved November 22, 2017, from <https://earthcheck.org/>
- Green Globe Certification Standard. Standard Criteria and Indicators. (n.d.). Retrieved November 18, 2017, from <http://greenglobe.com/standard/>
- Guilio, Ceppi. (1995). Principles for an esthetics of sustainability. *Catalan Journals*, Retrieved November 11, 2017. <http://www.raco.cat/index.php/Temes/article/view/29452>
- HeyIceland Booking Organization (n.d.). Our Story. Retrieved November 15, 2017, from <https://www.heyiceland.is/about-us/our-story>
- Icelandic Tourism Cluster. “Responsible Tourism”. Retrieved November 8, 2017, from <http://www.icelandtourism.is/klasafelagar/>
- Iceland Unemployment Rate 1970-2017 | Data | Chart | Calendar | Forecast. Trading Economics. (n.d.). Retrieved November 22, 2017, from <https://tradingeconomics.com/iceland/unemployment-rate>
- Manhas, P. S., Manrai, L. A., & Manrai, A. K. (2016). Role of tourist destination development in building its brand image: A conceptual model. *Journal of Economics, Finance and Administrative Science*, 21(40), 25-29. doi:10.1016/j.jefas.2016.01.001
- Landsvirkjun. (n.d.). Retrieved November 13, 2017, from <http://en.sjaldbaerni.is/sustainability-initiative-process/cooperation/companies/landsvirkjun/>
- Lansing, P., & De Vries, P. (2007). Sustainable Tourism: Ethical Alternative or Marketing Ploy? *Journal of Business Ethics*, 72(1), 77-85. Retrieved from <http://www.jstor.org/stable>
- Lynch and Tinsley (2001) Small tourism business networks and destination development *Hospitality Management*, 20 (4) (2001), pp. 367-378.
- Mowforth, M., & Munt, I. (2003). *Tourism and sustainability*. Abingdon, Oxon: Routledge
- Municipality of Akureyri (2017). *Akureyri Carbon Neutral [Brochure]*. Akureyri, Iceland.

- Oddný Þóra Óladóttir (2017). Tourism Iceland in Figures: 2017 [Brochure]. Author. Retrieved November 10, 2017, from <https://www.ferdamalastofa.is/static/files/ferdamalastofa/Frettamyndir/2017/juli/tourism-in-iceland-2017-9.pdf>
- Stephen Smith (2015) A sense of place: place, culture and tourism, *Tourism Recreation Research*, 40:2, 220-233. <http://dx.doi.org/10.1080/02508281.2015.1049814>
- Sustainable Development (2011). General Assembly of the United Nations. Retrieved November 6, 2017. <http://www.un.org/en/ga/president/65/issues/sustdev.shtml>
- Travelers Take Their Toll on Tourist Destinations [Interview by A. Arnarson]. (2012, July 5). Retrieved November 10, 2017, from <https://grapevine.is/mag/interview/2012/07/05/travellers-take-their-toll-on-tourist-destinations/>
- VAKINN Quality & Environmental System (2017). Ferdamalastofa. Retrieved November 12, 2017, from <https://www.ferdamalastofa.is/en/quality-and-environment/vakinn-quality-environmental-system>
- Viktorsdóttir, Berglind (2017). HeyIceland: Farmers from Finland [Powerpoint Slides]. Retrieved November 15, 2017., from [file:///Users/abbyharrison/Downloads/Hey%20Iceland%20-%20Farmers%20from%20Finland_2.%20sept.%202017%20\(1\).pdf](file:///Users/abbyharrison/Downloads/Hey%20Iceland%20-%20Farmers%20from%20Finland_2.%20sept.%202017%20(1).pdf)
- Wahab, S., & Pigram, J. (Eds.). (n.d.). *Tourism, Development and Growth: The Challenge of Sustainability*. Retrieved November 8, 2017, from https://books.google.com/books/about/Tourism_Development_and_Growth.html?id=rKHj5QO_itMC/25075360
- World Tourism Organization (n.d.). Ethics and Social Responsibility. Retrieved November 10, 2017, from <http://ethics.unwto.org/en/content/global-code-ethics-tourism>

X. Appendix

Arctic Circle Sessions

CHALLENGES AND POSSIBILITIES IN THE NORTH: EMERGING MARKETS AND SUSTAINABILITY IN ARCTIC TOURISM: Organized by the Arctic Working Group of the Danish Parliament Location: Ríma B, Ground Level SPEAKERS Aaja Chemnitz Larsen, Member of the Danish Parliament Aleqa Hammond, Member of the Danish Parliament Árni Gunnarsson, Managing Director, Air Iceland Helga Árnadóttir, Managing Director, Icelandic Travel Industry Associations Jóhan Pauli Helgason, Adviser, Faroese Ministry of Foreign Affairs and Trade Magni Arge, Member of the Danish Parliament; former CEO of Atlantic Airways Ragnhildur Sigurðardóttir, Director, Snæfellsnes Regional Park Sjúður Skaale, Member of the Danish Parliament; Chairman of the Arctic Working Group Stefán Gíslason, Senior Sustainability Consultant and Owner; Environice Consulting Yewlin Tay, Director of Sales & Marketing, Arctic Wonderland Tours Chair: The Arctic Working Group of the Danish Parliament

RESPONSIBLE TOURISM IN THE ARCTIC: Organized by Festa – the Icelandic Center for CSR and the Iceland Tourism Cluster Location: Viðey, Second Level SPEAKERS Ketill Berg Magnússon, Managing Director of Festa – Icelandic Center for CSR: What Can We Learn From the Icelandic Responsible Tourism Initiative? Sigurður Jónsson, owner Aurora-Arktika expedition sailboats – Ísafjörður, Iceland: Touching the Untouched with Respect Kelly S. Bricker, Vice-Chair of GSTC and Associate Professor at the University of Utah in Parks, Recreation, and Tourism: Global FRIDAY, OCTOBER 13 12 Standards for Sustainable Tourism Ásta Kristín Sigurjónsdóttir, CEO of Iceland Tourism Cluster: The Value of Sustainable Tourism in the Arctic

ECONOMIC DEVELOPMENT, INNOVATION AND ENTREPRENEURSHIP IN THE ARCTIC Organized by the Nordic Council of Ministers (NCM) and the Arctic Economic Council (AEC) Location: Kaldalón, Ground Level SPEAKERS Nauja Bianco, Senior Arctic Adviser, Nordic Council of Ministers: Welcome and introduction: The Nordic cooperation as a change agent in Arctic economies Jakob Wichmann, CEO and Co-founder, Voluntas Group: Presentation of preliminary findings of the coming Arctic Business Analysis Mikhail Pogodaev, Chair, Association of World Reindeer Herders, Director of The Northern Forum: An indigenous perspective on business development in the Arctic

INNOVATION FOR SUSTAINABLE DEVELOPMENT Organized by Government of Canada Location: Silfurberg B, Second Level OPENING H.E. Stéphane Dion, Ambassador to Germany and Special Envoy to the European Union and Europe, Canada T.H. Carolyn Bennett, Minister of Crown-Indigenous Relations and Northern Affairs, Canada POLICY PANEL: STRATEGIES FOR NORTHERN INNOVATION Stephen Van Dine, Assistant Deputy Minister, Northern Affairs Organization, Indigenous and Northern Affairs Canada Aurian Stark, Assistant Deputy Minister of Intergovernmental Affairs, Government of Nunavut Robert Sauvé, President and Chief Executive Officer, Société du Plan Nord Marc Kielley, Assistant Deputy Minister, Regional Development & Diversification, Tourism, Culture, Industry and Innovation, Government of Newfoundland and Labrador Adamie Delisle-Alaku, Executive Vice-President, Resource Development Department, Makivik Corporation Shaleen Woodward, Deputy Secretary to Cabinet Indigenous and Intergovernmental Affairs, Government of the Northwest Territories

PARTICIPANT INFORMED CONSENT TEMPLATE

Title of the Study: Tourism as a tool of climate change education: impacts, benefits, and opportunity.

Researcher Name: Abigail Harrison

My name is Abigail Harrison I am a student with the SIT Climate Change in the Arctic program.

I would like to invite you to participate in a study I am conducting (for partial fulfillment of my BA in Geology or as part of the SIT Study Abroad program in climate change). Your participation is voluntary. Please read the information below, and ask questions about anything you do not understand, before deciding whether to participate. If you decide to participate, you will be asked to sign this form and you will be given a copy of this form.

PURPOSE OF THE STUDY

The purpose of this study is to determine how tourism can and should be used as a tool of climate change communication in Iceland. Given the recent boost of eco-tourism in Iceland, there seems to be an opportunity to educate tourists on the realities of global warming, while also fulfilling other business goals.

STUDY PROCEDURES

Your participation will consist of a verbal interview, at a location of our agreement. and will require approximately one hour of your time. I will be taking handwritten notes during the interview. Afterwards, I'll take your portrait with my DSLR camera. You may still participate in the study if you choose to opt out of the photo.

POTENTIAL RISKS AND DISCOMFORTS

There are no foreseeable risks to participating in this study and no penalties should you choose not to participate; participation is voluntary. During the interview you have the right not to answer any questions or to discontinue participation at any time.

POTENTIAL BENEFITS TO PARTICIPANTS AND/OR TO SOCIETY

It is anticipated that this research will help shed light onto how Iceland may cultivate this newfound business success to be socially and environmentally responsible. By detailing the ways in which tourism currently is (or potentially may) educate tourists about climate change, local businesses have the opportunity to change their business model or shift their mode of operation to be more conscious of their impact not only on the planet, but on their customers.

CONFIDENTIALITY

All notes taken on this trip will be kept by the researcher (me). Photographs will be removed from the SD card on the camera and stored in a folder on an external drive.

When the results of this research are published and discussed, identifiable information will be used, given that anonymity is not the purpose of these interviews.

PARTICIPATION AND WITHDRAWAL

Your participation is voluntary. Your refusal to participate will involve no penalty or loss of benefits to which you are otherwise entitled. You may withdraw your consent at any time and discontinue

participation without penalty. You are not waiving any legal claims, rights or remedies because of your participation in this research study.

“I have read the above and I understand its contents and I agree to participate in the study. I acknowledge that I am 18 years of age or older.”

Participant's signature _____ *Date* _____

Researcher's signature _____ *Date* _____

Initial one of the following to indicate your choice:

Consent to Quote from Interview

I may wish to quote from the interview with you either in the presentations or articles resulting from this work.

Initial one of the following to indicate your choice:

_____ (initial) I agree to allow myself to be quoted

_____ (initial) I do not agree to allow myself to be quoted

RESEARCHER'S CONTACT INFORMATION

If you have any questions or want to get more information about this study, please contact me at aaharrison@haverford.edu or my advisor at jennifer.smith@sit.org

RIGHTS OF RESEARCH PARTICIPANT – IRB CONTACT INFORMATION

In an endeavor to uphold the ethical standards of all SIT proposals, this study has been reviewed and approved by an SIT Study Abroad Local Review Board or SIT Institutional Review Board. If you have questions, concerns, or complaints about your rights as a research participant or the research in general and are unable to contact the researcher please contact the Institutional Review Board at:

School for International Training
Institutional Review Board
1 Kipling Road, PO Box 676
Brattleboro, VT 05302-0676 USA
irb@sit.edu
802-258-3132