



RESEARCH CONSORTIUM SMALL STATE BRIEFS

NORDIC AND ARCTIC AFFAIRS: ICELAND'S NATIONAL SECURITY POLICY: LATEST PROGRESS

By Alyson JK Bailes and Kristmundur Þór Ólafsson

December 5 2014

SUBJECT: THE ICELANDIC PARLIAMENT'S REPORT ON NATIONAL SECURITY POLICY, FEBRUARY 2014

SIGNIFICANCE: Efforts to produce Iceland's first-ever comprehensive national security policy began in 2008, but have been slowed by the economic crash and changes of government. A report from a parliament (Alþingi) working group in February 2014 reflects – for the first time – a broad political consensus on a national security strategy embracing new, non-military security challenges. It supports, with one party dissenting, continued membership in NATO. The way is open for the government to draft an official strategy on this basis.

ANALYSIS: Iceland's lateness in producing an explicit security strategy is explained both by history (see below) and by persistent internal divisions over NATO and the EU. An independent risk assessment in 2009 helped by identifying a range of non-military threats and risks, on which consensus is generally easier. The parties also agreed in 2011 on an 'Arctic strategy' covering similar issues. The latest parliamentary report offers a basis for the government to draft a formal security strategy that would go back to the Alþingi for approval. The weakest aspect of this work so far is on economic and financial security, where polarized views on EU membership still bedevil the debate. Success in follow-up will depend among other things on clarifying and rationalizing the governance of Icelandic security, and on how well the concerned authorities work together.



HISTORICAL BACKGROUND

Iceland, an island nation of just 320,000 people, has never created armed forces. Its defence since the 1940s has rested on military protection by the USA (bilateral agreements of 1941 and 1951, and forces based at Keflavik up to 2006), and the country's membership since 1949 of the North Atlantic Treaty Organization, NATO. A significant proportion of Icelanders opposed NATO and – above all – the US presence from the start, rejecting the very idea of 'defence' or 'security'. For decades, the national debate focused narrowly on 'hard' defence and was polarized between entrenched pro- and anti-NATO positions.



INSTITUTE OF INTERNATIONAL AFFAIRS CENTRE FOR SMALL STATE STUDIES UNIVERSITY OF ICELAND WWW.csss.hi.is



NORDIC AND ARCTIC AFFAIRS: ICELAND'S NATIONAL SECURITY POLICY: LATEST PROGRESS

By the 2000s, a combination of factors demanded a new approach that might also help ease historic divisions. The USA and NATO changed their own emphasis and pattern of operations. Like other small Western states, Iceland was expected to help against the 'new threats' of terrorism, crime and proliferation, and in crisis management missions abroad, while the reduced Russian threat made its own strategic position less important. When the US unilaterally withdrew its forces in 2006, Iceland had to turn to its neighbours for closer military cooperation and became particularly interested in possible support from the Nordic group. At the same time it was alert to new risks and opportunities from the expected opening-up of the Arctic as a result of climate change. On the latter, Iceland again sought a common front with the other Nordics and with its 'West Nordic' partners, Greenland and the Faroe Islands.

The 'softer' aspects of security were also difficult to ignore. Iceland is used to natural disasters, but the Eyjafjallajökull eruption in 2010 had unexpectedly wide foreign repercussions. Climate change and Arctic developments bring new risks of pollution and major accidents. Cyber-security and infrastructure vulnerabilities are a headache for a technically advanced society with scattered populations. The last influenza epidemic stretched Iceland's hospital capacities to the limit.

The economic and financial crash of autumn 2008 also seriously shook the nation's nerves and created new interest in seeking economic shelter – including use of the euro – within the EU. A new coalition government in 2009 applied for EU entry. Since then, however, an anti-EU majority has re-emerged in public opinion and the accession talks are currently on hold. However, Iceland belongs to the EU's Single Market through the European Economic Area, and to the Schengen system, and cooperates with Brussels on law, policing, and research matters among others.

The policy process

Under a centre-Right/centre-Left coalition in 2008, Foreign Minister Ingibjörg Sólrún Gísladóttir mandated an independent group led by Professor Valur Ingimundarson to create a first-ever Risk Assessment for Iceland. Their report, delayed by the economic crash, was published in March 2009 and listed a full range of non-military challenges, both 'global' and 'societal'. Its message was less clear on military issues and it explored the damage done by the financial crash rather than probing the solutions.

Follow-up was slow, but in September 2011 the Alþingi accepted the Foreign Minister's idea of a cross-party group to discuss principles for security policy based on the Risk Assessment's findings. Giving the parliament such a strong role repeated the procedure for Arctic policy, but in this case was also a shrewd way to test the ground for a new consensus. The parliamentary group heard many witnesses both from inside and outside Iceland, looking especially at models from other Nordic and/or small states. It could not, however, deliver its findings before the May 2013 elections, mainly because of pressure of other higher-profile work. Finally, under the new centre-Right coalition government and encouraged by the Foreign Ministry, it published an 11-page report on 20 February 2014.

The parliamentary report

The first important feature of the document is that only three dissenting comments were added by individual parties, and only one – the Left Green Party's unchanged opposition to NATO – concerned a fundamental issue. The report thus demonstrates solid multi-party support (Left Greens apart) for Iceland's continued membership of NATO to cover residual 'hard' security concerns. It also stresses that military assets may help in many non-military crises (like accidents), and a country as small as Iceland cannot afford to deny itself outside help when needed. Such reasoning helps break down the black-and-white divisions between 'hard' and 'soft', external and internal, security that formerly handicapped the Icelandic debate.

On non-military security, the report suggests three levels of priority for applying national effort: (i) civil security risks from the Arctic opening, cyber-threats and sabotage, and natural disasters; (ii) organized crime, economic/financial security, food safety and security, health and pandemics; (iii) military threats and terrorism. This is a reasonable reflection of Iceland's special situation, with its relative lack of worries over (e.g.) energy security, internal order, or illegal migration. Economic and financial issues, including security of infrastructure and supply, should arguably have been placed higher: but as usual, this may reflect difficulty in tackling the EU question. As it is, the report only mentions the EU in two-three specialized and uncontentious contexts.

The report has a lengthy section suggesting roles and responsibilities for the Icelandic Government in the areas of diplomacy, defence policy and civil security, which are covered respectively by the Foreign and Interior Ministries at present. It does not directly address other ministries' roles, or the role of non-state actors (business etc.), but supports greater government coordination. It offers practical suggestions such as better emergency stocks, and updating the legal status of various security executive bodies. It does not discuss resource allocation, other than noting in passing that funds are short.



INSTITUTE OF INTERNATIONAL AFFAIRS CENTRE FOR SMALL STATE STUDIES UNIVERSITY OF ICELAND WWW.csss.hi.is



NORDIC AND ARCTIC AFFAIRS: ICELAND'S NATIONAL SECURITY POLICY: LATEST PROGRESS

Next Steps?

Two other important components of Icelandic security policy are still in gestation: a comprehensive civil (societal) security policy being prepared by the Ministry of the Interior, and a strategy on cyber-security. The current expectation is that when these are also available, the Foreign Ministry will table legislation in parliament setting out principles and structures for a comprehensive security strategy. On present showing this should have sound majority support – not least given the impact of the Ukraine crisis on feelings about NATO – and the Left Greens have too few votes for their reservations to undermine the result. The main practical problem, as before, may be competition from other legislative business.

Having a security strategy will bring Iceland up-to-date with other small Western states. It should strengthen the conceptual base for cooperation with other Nordics, whose 'societal' approach the parliamentary report echoes. In practical terms, the test-cases of success will include: rationalization of the Foreign and Interior Ministries' legal division of responsibilities; improved top-level coordination; and the consistent mainstreaming of security thinking (with appropriate resource backing) in 'softer' non-military fields.

Conclusions

- Despite some weaknesses and omissions, the February 2014 parliamentary report is a crucial step forward in Iceland's belated security policy-making process.
- It reflects broad majority support for continued NATO membership and extensive consensus on 'softer' security issues and priorities.
- Economic/financial security remains harder for Icelanders to conceptualize and agree on, mainly because of profound divisions over the EU.
- The government has a fair chance to succeed in drafting an official national security strategy and getting it through parliament before the next elections.

Keywords: Iceland, security policy, national strategy, NATO, European Union

Further Reading

Alyson JK Bailes and Þröstur F Gylfason, '"Societal Security" and Iceland', *Stjórnmál og Stjórnsysla* June 2008: http://skemman.is/handle/1946/9019

A Risk Assessment for Iceland, March 2009 (including English summary): <u>http://www.mfa.is/media/Skyrslur/A_Risk_Assessment_for_Iceland_-_English_Summary.pdf</u>

Iceland's Arctic Policy (2011):

<u>http://www.mfa.is/media/nordurlandaskrifstofa/A-Parliamentary-Resolution-on-ICE-Arctic-Policy-approved-by-Althingi.pdf</u> Report of the (parliamentary) working group on National Security Policy, February 2014 (unofficial English translation): <u>http://eeas.europa.eu/delegations/iceland/documents/press_corner/20140324_en.pdf</u>



INSTITUTE OF INTERNATIONAL AFFAIRS CENTRE FOR SMALL STATE STUDIES UNIVERSITY OF ICELAND WWW.cSSS.hi.is

