A Risk Assessment for Iceland: 
Global, Societal, and Military Factors

Summary of the Findings of an Interdisciplinary Commission 
Appointed by the Icelandic Foreign Minister

Former Icelandic Minister for Foreign Affairs, Ingi Björg Sólrun Gísladóttir, appointed, at the end of October 2007, a commission of thirteen academics, officials, and professionals under the chairmanship of Prof. Valur Ingimundarson to assess risks and threats to Icelandic security following the departure of U.S. military forces from Iceland. In line with its official mandate, the commission approached its task on the basis of a broad and inclusive definition of security, encompassing “new threats” posed by global/transnational, societal, and human factors. The focus was on three analytical categories: (a) national security, with emphasis on sovereignty and territory and state-centered threats; (b) societal/civil security, concentrating on risks such as organized crime, terrorism, natural disasters, which target social groups, identities, values and civil infrastructure; (c) globally-induced risks to individuals and society by transnational factors such as environmental disasters, pandemics, climate change, terrorism, human trafficking, and weapons of mass

1 Other commission members were: Margrét Björnsdóttir, Director of the Institute of Public Management and Politics at the University of Iceland; Einar Benediktsson, Ambassador (Ret.); Jón Ólafsson, Professor of Philosophy at Bifröst University; Ellý Katrín Guðmundsdóttir, Director of the Environmental Division, City of Reykjavík; Birna Þórarinsdóttir, Political Scientist; Þór Whitehead, Professor of History at the University of Iceland; Þórir Ibsen, Ambassador; Þórunn J. Hafstein, Director of the Department of Police and Judicial Affairs, Ministry of Justice; Sturla Sigurjónsson, Ambassador; Silja Bárá Ómarsdóttir, Director of the Institute of International Affairs, University of Iceland; Jón Sigurðsson, former Minister of Trade and Industry and Assistant Professor at Reykjavík University; Ólafur Þ. Stephensen, Editor-in-Chief, Morgunblaðið Daily.
destruction. Consistent with the convergence of internal and external security in the post-Cold War era—mainly as a result of the growing importance of transnational security factors—there was considerable categorical overlap.

The commission’s findings are based on an independent assessment of the security situation in Iceland. It benefitted, however, from the work of various governmental and non-governmental organizations in the field of security and defense. In addition, the commission relied on the expertise and advice of a number of foreign and domestic specialists.

Risk Assessment: Analytical Categories and Conclusions

The commission adopted a specific method to assess risks, using five interrelated factors: First, each risk or threat was defined in analytical terms; second, the probability of increased or diminished risk in the next ten years was assessed; thirdly, Iceland’s strengths, weaknesses and resilience to meet specific risks were evaluated; fourth, the security situation in Iceland was assessed in relation to that of neighboring countries, especially the Nordic countries but also other ones such as France and Britain, as well as international organizations, such as NATO and the European Union (EU). Finally, a number of suggestions about risk preparedness and responses were put forward.

The commission sought to tackle some of the risk factors and consequences of the Icelandic banking collapse in October 2008, even if much of its work had already been completed when it took place. Hence, it is not a central feature of analysis in the report. Given the fluidity of the current economic situation, more time is also needed to assess its medium- and long-term impact on Iceland’s security. The financial crisis not only led to widespread economic and social insecurity but also temporary political instability. Given the skyrocketing public debt, it will become increasingly difficult to obtain funds for security and defense purposes in the years ahead. It is, therefore, of vital importance that Icelandic security organizations pool their resources to meet this new challenge. Such cooperation also fits with the dominant Western ideological approach, the so-called “comprehensive approach,” which stresses the ability of security actors to work closely with all partners—whether civil or military.

The commission assessed the following security categories: financial security; military threats; health safety and pandemics; environmental threats, natural
disasters and climate change; international terrorism; weapons of mass destruction; organized crime; cyber threats; human trafficking; migration and integration of immigrants; maritime safety; civil flight security; road security; food security and the safety of the electrical and communications system. Since these risk categories are different in nature, they were not prioritized. But each category was analyzed in terms of likelihood and potential impact. Other security factors that were not addressed here but need to be explored include the protection of government institutions, foreign intelligence activities, the influence of riots on internal security, and the security of Icelandic citizens living abroad.

A short summary of the main findings in each area follows:

(1) The international financial crisis has led to an economic crisis in many countries, with deep and serious societal consequences. It hit Iceland early on—in October 2008—and especially hard. Financial institutions, government bodies, regulatory institutions and emergency response mechanisms were very ill-equipped to deal with a crisis of such magnitude. Much research remains to be done to determine what factors contributed to—and caused—the economic collapse. Therefore, this account is mostly limited to events and actions leading up to it as well as its effects. Given the fact that the Icelandic banking sector had become ten times that of Iceland’s Gross Domestic Product, the banking crisis was not wholly unexpected. But its suddenness and severity came as a shock. The crisis derailed foreign payments and settlements systems, temporarily, and disrupted exports and imports. While this did not result in shortages, it revealed the vulnerability of Icelandic society to a systemic breakdown.

Moreover, the crisis led to a diplomatic dispute between the Icelandic government, on the one hand, and the British and Dutch governments, on the other, over the settlement of online saving accounts—dubbed Icesave—in Britain and the Netherlands after the Icelandic bank Landsbankinn was put into receivership. On the pretext of protecting the economic stability of the United Kingdom, the British government subsequently used anti-terrorist legislation to freeze the assets of Icelandic banks operating in the United Kingdom. Relations between Iceland and Britain became very strained, and the dispute caused a delay in the approval of an International Monitory Fund (IMF) financial rescue package for Iceland. Eventually, an outline agreement was reached in November 2008, with the Icelandic government accepting to guarantee the liabilities of insured deposits consistent with the EU’s interpretation of the
European Economic Area law. The dispute was also taken up in NATO and affected the decision to cancel a British air policing mission by the Royal Air Force scheduled for Iceland in December.

The economic collapse shows that the precondition for financial security is a strong institutional lender of last resort, which is able to provide liquidity in the case of shortages. No such institutional body existed in Iceland. The commercial banks became far too big relative to the size of the Central Bank and the treasury. When credit lines dried up, the banks were quickly brought to their knees. Contingency plans did not work, and attempts made by the Icelandic government to save the banking system failed. The banks were supposed to operate under EU rules, but domestic regulation and monitoring was lacking. Together with the Central Bank, an inter-ministerial government committee activated contingency plans and drafted an emergency legislation that was subsequently enacted by the Icelandic parliament in October 2008. It is possible that the impact of the banking crash would have been less severe if emergency plans had been put in place earlier. But since this was a systemic collapse, it would have been necessary to intervene far earlier to prevent it.

(2) Iceland faces no direct military threats from other states or alliances in the short- or medium-term. Iceland’s status as a non-armed country and its location in the North Atlantic put it in a special category when it comes to security and defense. Since the end of the Cold War, the High North has been stable and peaceful. Iceland has taken part in international operations—such as peacekeeping—under the auspices of international organizations such as NATO, the UN, and the EU. This contribution serves the purpose of strengthening Icelandic security ties with such bodies. It can also be seen as an extraterritorial means to compensate—in security terms—for the lack of territorial defense. Yet since participation in international operations can also have adverse effects, Iceland must periodically evaluate the security implications of political ties with countries they work with and regularly reassess its national security needs in view of rapid changes in the global security environment.

The U.S.-Defense Agreement of 1951 is still in force, even if a deterritorialized security guarantee is a lesser commitment than a military presence. Iceland has been without military forces since the U.S. departure in 2006 after a 55-year long presence. To be sure, in 2008, France and the United States, assumed air policing missions in Iceland for several weeks, and Denmark did so in March 2009. One purpose of air policing arrangements under NATO auspices is to
beef up security relationships with other Allies than the United States. But following the economic crash, the policy has been modified by reducing the number of such missions.

The special position of Iceland as a non-armed NATO country has elicited two opposing views. On the hand, there are those who see Iceland’s strategic importance as a given in any military situation in the North Atlantic because of its geographic location. For this reason, it is seen as all-important that Icelanders shoulder more responsibility in their own defense and have a minimum operational capacity to cooperate with other NATO members. On the other hand, there are those who want to prioritize non-military factors rather than traditional territorial defense on the grounds that there are no sign of any regional tension or military conflict in the near- or medium-term future. Any such scenarios would require preparation, such as military build up, providing early warning. Other more pressing risks and threats involve societal or civil security and infrastructure protection. Hence, preparedness should be geared towards meeting such risks.

Irrespective of these differing opinions, the long-term outlook for Iceland’s security and defense is more uncertain because of the future importance of the High North and because of potential Great Power disputes over access to oil and gas. No military-build up has taken place in the region since the end of the Cold War, even if direct stakeholders, such as Russia, Norway, and Canada, have increased their preparedness. The Russians have, for example, put forward plans to build an aircraft carrier for use by the Northern Fleet after ten years, even if they could face delay. While NATO does not foresee the remilitarization of the High North, it has decided to pay attention to regional soft security issues, such as search-and-rescue at sea and marine pollution management, by promoting cross-border regional monitoring and surveillance. There is much public debate over the opening of new sea lanes and transarctic shipping due to climate change, but despite the media spectacle surrounding the “Scramble for the Arctic,” it could take decades before arctic sea routes will be open and accessible all year long. This is not to discount developments such as the future prospects of new Arctic shipping routes, oil and gas resources, and potential Great Power rivalry over state ownership. They are bound to affect Iceland’s security in the long term. Yet, there are not indications that the Arctic will be a high-tension area in the near future.

(3) Pandemics pose a transnational threat that can not only have much impact on Iceland but also strike with little warning. In the past decade, a number of
new pandemic diseases, including Avian influenza and Severe Acute Respiratory Syndrome (SARS), have surfaced. In addition, there have been anthrax and radiological attacks. It can be presumed that new pandemic diseases will develop in the coming years. An outbreak of a pandemic disease could impact Iceland both directly through contraction and indirectly, for example through an airport shutdown, a market breakdown, and a sharp decline in tourism. It is estimated that a highly contagious pandemic would reach Iceland relatively quickly as air services to and from the country are frequent. Moreover, it is believed that Icelanders could be highly sensitive to contagion and infections due to their geographic isolation. A pandemic that reached Iceland could, therefore, have disastrous consequences. It is, however, considered a strength that almost all foreign air traffic passes through the same airport, which could be closed in a case of emergency.

(4) A number of endemic natural threats, including volcanic eruptions, earthquakes, avalanches, storms, mudslides, floods and glacial bursts pose a continual risk to Icelandic society. Emergency plans for how to deal with such disasters have been prepared and are part of the Civil Protection and Emergency Management System in Iceland. Climate change is now considered the greatest global environmental threat, and its impact has already been noted in Iceland. While it is not possible to predict the consequences of global warming in Iceland with any accuracy for the next 10-15 years, it is clear that efforts must be made both to fight and reverse climate change and curtail its effects. More states approach climate change as a security threat and responses to global warming figure prominently in the security strategies of states such as Finland and the United Kingdom.

(5) Following the terrorist attacks on the United States on September 11, 2001, the fight against terrorism became a central tenet of the security strategies of a number of states. There are some indications that the risks posed by terrorists were overestimated. There have been no major terrorist attacks on the United States since 2001, even if the police and other security agencies have succeeded in preventing terrorist incidents. Attacks in Spain in 2004 and Britain in 2005, however, show that terrorism still poses a threat to Western states. And such acts are, of course, common in other parts of the world, as the examples from India, Pakistan and Afghanistan testify to.

Iceland is considered an improbable terrorist target, and there are no indications that terrorist attacks are being planned against it. However, terrorists could use the country as a safe haven to organize attacks in other countries. Moreover,
positions taken by the Icelandic government on controversial global issues could bring the attention of terrorists to Iceland. Potential threats to Nordic countries are seen as emanating not from organized terrorist groups such as Al-Qaeda but from local extremist Islamist youth groups—often second generation Europeans who feel disenfranchised in a society that they feel does not fully accept them—operating alone, if under the ideological influence of globalized terrorist groups. If religious or political extremist groups gain a foothold in Iceland, it could lead to growing animosity towards immigrants and foreigners. Accordingly, plans to counter extremist activities cannot be limited to policing and heightened security, but must incorporate fair and balanced immigration and refugee policies.

(6) Weapons of Mass Destruction (WMDs) are believed to be a growing worldwide threat. More states and individuals have the capacity and expertise to make such weapons than ever before. It is considered possible that nuclear weapons, biological weapons or “dirty bombs” will fall into the hands of terrorist organizations with no affiliation with a particular state. Iceland is not, however, considered a likely target of such organizations. Accidents involving nuclear-powered submarines off the coast of the country are considered a more pertinent risk. The collision, in early February 2009, between two French and British nuclear submarines in the North Atlantic is a reminder of this danger. Mishaps during military exercises close to—or in Icelandic territorial waters—could also have dire environmental consequences. The use of Iceland as a transit country for the smuggling of WMDs parts is considered a possibility. Such an act would likely have political repercussions and affect Iceland’s external position.

(7) Organized crime is a growing security threat in Iceland. It has a number of facets, including drug trafficking, violent crime, money laundering and human trafficking. Most perpetrators of organized crime are Icelandic, though foreign criminals have increasingly made their presence felt in recent years, especially in the drug trade. Foreign interest in organized crime in Iceland will probably lessen as a result of the economic crisis, but the cooperation between domestic and foreign groups is seen as a growing transnational threat. It is considered likely that Icelandic criminals operate in foreign countries in the same way as foreign criminals who have settled in Iceland.

Human trafficking has only recently come into special focus as a security threat, even if law enforcement agencies have dealt with it for a long time. There have been known cases of human trafficking for sexual abuse in Iceland.
The police still have no work rules to deal with such crimes, even if they are expected to be adopted soon. Rules are in place to deal with human trafficking for illegal labor or organ harvesting.

It is feared that in coming years increased violence—and more brutality—accompanying organized crime will characterize such illegal activities in Iceland. A case in point is the presence of criminal gangs from Central and Eastern Europe who are mostly active in the drug trade. According to the police, some Icelandic organized groups work with foreign groups, while others compete with them. The drug trade has also spilled over into other criminal activities such as extortion and money laundering. The economic crisis will undoubtedly stimulate the growth of the underground economy in Iceland in the short-term.

(8) A number of the functions vital to society rely on stable information systems and cyber and computer services. Hackers, hostile foreign governments, extremist groups, criminals, natural disasters and faulty technology can all threaten cyber security. Harmful software, including adware and spyware, can also disrupt cyber functions. It is believed that certain states have focused on developing technology and expertise to stage cyber attacks. Other states—most prominently Estonia, which suffered a massive coordinated cyber attack following a dispute with Russia in 2007, involving ministries, government institutions, journalists, and others—have developed expertise to counter such attacks. In 2008, NATO launched a new cyber-defense training center in Tallinn to defend against attacks over the Internet.

Iceland has not been a target for an organized cyber attack. The possibility of such an attack—for example in response to government policies on disputed issues—can, nevertheless, not be ruled out. A number of cyber weaknesses can be discerned in Iceland. Official websites, including sites used for elections, could be vulnerable to cyber attacks. There are known instances of cyber criminals breaking into electronic bank accounts. Moreover, the fiber optic cable system is not sufficiently protected and vulnerable to sabotage or other interference, including natural disasters, such as glacier bursts and geological faults. A number of other countries have set up Computer Security and Incidence Response Teams (CSIRTs) to review and respond to computer security incident reports and activities. Iceland should make arrangements to do the same. Such a CSIR-Team would not only coordinate responses to cyber threats but also play an important role in defining risks and threats and educating the government and public about them.
The integration of immigrants into Icelandic society has, in general, been relatively successful. There are no reported incidents of major clashes between foreign residents and Icelanders. Immigration increased in recent years—mainly due to the need for foreign labor in connection with construction activities and heavy industry projects such as power plants and aluminum smelters. Following the collapse of the banking system, however, the number of immigrants in Iceland has decreased considerably. It remains to be seen whether economic hardship and a sharp rise in the unemployment rate will cause tension between immigrants and the Icelandic population. Most immigrants in Iceland are Europeans, the majority of whom have emigrated from Poland and the Baltic states to work in Iceland. In the other Nordic countries, on the other hand, jobless refugees from other continents constitute a large part of the immigration communities. That most immigrants in Iceland were—until the economic collapse—employed undoubtedly explains, in part, their relatively smooth integration. The worsening employment situation could lead to friction between Icelanders and immigrants. Indeed, there have been indications of growing xenophobia in Iceland in the last few years. Most social services have been available to foreign residents. But immigrant access to education and general participation in Icelandic society need to be improved. A failure to do so could cause social exclusion and alienation, which in turn could diminish tolerance towards immigrants.

The opening of new shipping routes, climate change and growing interest in Arctic tourism mean that—in the years to come—more ships will pass through Icelandic waters. That includes oil vessels, even though predictions about a dramatic increase in oil and gas transports from Russia, and to a lesser degree Norway, to North-America are probably not going to materialize. Instead, the Russian government seems to be focusing on European markets. Oil spills are uncommon, but would have drastic consequences for marine life and ecosystems near Iceland. As Iceland’s economy is highly dependent on fishing, the economic impact of an oil spill would also be very serious. Iceland does not have the capacity to deal with large-scale oil spills without foreign assistance. Furthermore, an increased number of cruise liners in the High North, which have to navigate dangerous, glacial waters, pose a growing risk. There are no operational resources in Iceland to rescue passengers of a large cruise ship in the case of an accident. It is, therefore, imperative that the Icelandic government continues to develop contingency plans in cooperation with neighboring countries—such as Denmark—to deal with oil spills and other shipping mishaps.
The airspace managed by Reykjavik Air Traffic Control Center (ACC) spans approximately 5.4 million square kilometers, extending from west coast of Greenland to the Greenwich meridian—from the North Pole to just north of Scotland. Air traffic through this huge air space is heavy. In 2008, over 110 thousand international flights passed through it. Air travel in Iceland is generally considered safe. The main threats to air safety are terrorist attacks and collision-risks. It is, however, not thought likely that planes passing through Icelandic airspace will be targets of terrorist attacks. In addition, aircraft hijacking is not considered probable. The risk of air collisions has not been a problem, but its estimation is more difficult. Thus, Russian bomber flights through the airspace managed by Reykjavik ACC have caused sporadic disruptions in commercial flights. And even if there have been no incidents, the Russian planes are not subject to Icelandic air control authority. Hence, the risk of collision cannot be fully ruled out. It is important that the Icelandic authorities be informed about these flights to ensure the protection of civil aviation.

The most serious risks to road security in Iceland stem from natural disasters, including earthquakes, volcanoes, floods, avalanches, mud slides, and glacier bursts. Experience shows that bridges and roads can usually withstand earthquakes. Even after powerful earthquakes, road infrastructure has only sustained minor damages. Glacier bursts, on the other hand, have swept away bridges and caused extensive road damage. Transport of hazardous materials can also compromise road safety. The EU has taken action to lessen the risk posed by the transports of hazardous materials. Iceland is set to abide by the relevant regulations. To bolster road safety in Iceland, the road system must be improved. The Icelandic Road Administration is actively involved in emergency response plans in Iceland.

To ensure food safety, there must be ready access to adequate supplies of food and clean water. In Iceland, there is a limited capacity for agricultural production. Hence, Icelanders are highly dependent on imports of food and other necessities, including goods needed for agricultural production and oil for the fishing and commercial fleet. There have been no major disruptions to imports in the past decades in Iceland. Yet—though food security was never actually endangered—the financial collapse revealed just how vulnerable Icelanders are to such interruptions. If imports had been cut off, the food supplies available in the country at the time would have run out in a matter of weeks. A number of other scenarios could possibly threaten food safety in Iceland. Imports might cease due to an outbreak of pandemic disease, conflict
or war. Massive infrastructural failure, for example of the electrical system, could also make food storage difficult. A shortage of fuel or natural disasters could make the dissemination of necessities problematic. Under normal circumstances Icelanders have easy access to clean water. A number of factors—including the pollution of water supplies, sabotage of pipes or reservoirs, oil leaks, airplane crashes, natural disasters and poisoning—could change that. It is considered highly improbable, however, that any of these will occur. The water monitoring systems in Iceland are of a high quality.

(14) Energy security has become a focal point in the security strategy of most states in recent years. It pertains to secure access to energy, most often gas and oil, and dependable means of transporting energy. When it comes to energy security, Iceland’s position is different from its neighboring states. Its electric grid is not connected to that of other states and a large portion of the energy used in Iceland, around 70%, stems from hydroelectric or geothermal sources. The rest, a little less than 30%, comes from oil and gas, which is used to power cars and the Icelandic fishing fleet. Iceland is, thus, less dependent on foreign oil and gas than most states. However, the fishing sector, Iceland’s most important industry, is totally dependent on oil. The power system in Iceland is also vulnerable to sabotage and natural disasters such as earthquakes and storms. There are, however, no indications that saboteurs have targeted the system. Protest actions against the construction of hydro-electric plants have caused minor damage. Since the power system is not connected to other systems, there are fewer backup options in case of failure than in other countries. Yet, the isolation of the system also ensures that failure, damage or sabotage elsewhere does not impact it.

(15) Iceland is sparsely populated, and, as a result, communication infrastructure is spread out over vast areas. Accordingly, it is difficult to guard all parts of the system against sabotage. However, the system is rather simple and controlled by a limited number of actors that can oversee all its functions. Primary routes run in a circle around the country and disruptions in one place can impact the whole system. Disruptions are most commonly caused by accidents when construction is underway. Natural disasters and malfunctions in technology can also disturb the system of communication. It has proven easy to tap illegally into communications systems, such as computer systems that are used by many or telephone systems in apartment blocks. It is, however, complex and expensive to tap or spy on mobile phones. Only a few have the resources to do so, such as telecom companies (which by law are required to have such tapping equipment, which has been used by the police) and foreign
intelligence services. While there are not known cases of mobile phone eavesdropping, they cannot by any means be ruled out.

**Recommendations for a National Security Strategy**

The commission wants to highlight the following points in its recommendations to the Icelandic government.

- A national security strategy has to be adopted that takes into account the expanded definition of security. It should integrate policies with respect to global, societal, and military risk factors and include contingency plans that ensure inter-ministerial and inter-disciplinary coordination as part of a comprehensive approach.

- To improve its preparedness, the Icelandic government should explore the possibility of adopting the British model—the Cabinet Briefing Rooms (COBR(A)). This model provides emergency response for any form of threat or risk. Under it, a response team and specialists cooperate with the minister and ministries responsible for the particular risk sector.

- There is a need to clarify the status of the Defense Agreement between Iceland and the United States following the departure of the U.S. military forces and within the context of security cooperation with other countries. This could be done in conjunction with a re-evaluation of the 2006 U.S. emergency defense plan for Iceland.

- A renewed discussion in Iceland over its position within NATO and its contribution to the Alliance is called for. When assessing Iceland’s security policy priorities, there is a need to explore the relative weight of territorial factors, such as preparedness (air policing) and extraterritorial ones, such as participation in international missions (peacekeeping).

- Nordic cooperation in the fields of security and defense should be encouraged. This could, for example, include maritime monitoring in the North Atlantic and the development of emergency response capabilities, as was suggested in Thorvald Stoltenberg’s report on Nordic security. Such cooperation should, however, not be limited to
symbolism based on Nordic solidarity or stand in the way of promoting cooperation with other countries in the areas it covers.

- A regular surveillance of military aircraft, military exercises and nuclear-powered vessels close to Icelandic territory should be maintained. Nuclear mishaps or other polluting accidents could have dire consequences for the Icelandic economy, in general, and exports, in particular.

- The economic collapse revealed that if foreign payments and settlements system fail, Iceland would quickly be faced with a shortage of imported goods and necessities. The government should cooperate with the private sector to increase available supplies of certain food items to last for a period of six months. Current supplies would run out in a matter of weeks if imports were disrupted. Moreover, strategic reserves of oil should be established. An assessment of short-term oil needs to ensure the maintenance of functions vital to society has to be undertaken. Furthermore, a larger supply of medicine and healthcare products needs to be available in cases of emergency. These supplies should be stocked in a single secure, but accessible, location.

- Icelanders should cooperate with neighboring countries to enhance security awareness in the North Atlantic. This is particularly significant because of the future importance of the High North and its natural resources. The government should also follow developments pertaining to the High North in international organizations such as NATO, the UN and the EU as well regional bodies, such as the Arctic Council.

- The EU has focused on member state cooperation in dealing with threats such as organized crime, epidemics, natural disasters, and terrorism. Iceland should strengthen its cooperation with the EU in these areas and others such as peacekeeping. It should also take into account EU standards when developing emergency response policies and contingency plans.

- Domestic measures to counter climate change should be developed further. Moreover, response plans to deal with the manifold risks brought about by climate change on a variety of societal sectors should be developed. The Icelandic government should also support international efforts to fight climate change. A public information
campaign should be organized to raise awareness of the social, environmental, and economic consequences of climate change.

- Action should be taken to lessen the Icelandic Civil Protection System’s overdependence on volunteers. Because of the economic crisis, it is very important that Icelandic Association for Search & Rescue and the ICE-SAR’s Accidents Prevention Departments will not be weakened.

- It is recommended that further steps be taken to ensure the security of Iceland’s infrastructure. The fiber optic system and electric power grids need more protection against potential acts of sabotage, natural disasters, and glacier gaps and runs. In addition, there are needs for contingency plans for the protection of some public utilities and the development of alternative systems where a vital infrastructure is centrally located. Action needs to be taken to ensure the effective functioning of communications systems in exceptional circumstances, involving natural disasters, sabotage, organized attacks, break-ins, illegal tapping and spying operations.

- The government and the private sector need to work more closely together in the field of security. This is particularly important in fields such as communication security and cyber security where private companies play key roles. The commission recommends that a Computer Security and Incidence Response Team be established and charged with the task of monitoring and countering cyber risks and attacks. It would not only serve a coordination role but also a public information function to raise awareness of potential cyber threats. It is also recommended that the government participate in international efforts to counter state-sponsored cyber attacks.

- The economic crisis could prove more trying for immigrants than other groups. It is likely that anti-immigrant sentiment will rise with increasing unemployment and a deteriorating economy. For this reason, the government needs to take extra steps to ensure the rights and safety of foreigners resident in Iceland.

- It is estimated that 33 thousand Icelanders live in foreign countries. Their number is expected to rise with the worsening economic situation in Iceland. The Icelandic government should take measures, in
cooperation with neighboring states, such as the Nordic states, to ensure that these people can be reached in cases of emergency.

- The police must be supplied with adequate means, equipment and resources to fight international organized crime. At the same time, the supervisory role of the parliament and judiciary should be reinforced. Approaches should be based on Scandinavian and European models.

- To be better able to counter terrorism, cooperation with foreign security institutions should be enhanced. While there are no indications that Iceland is a target for terrorists, it might be used to prepare for terrorist acts elsewhere.

- The Icelandic government should actively support the International Atomic Energy Agency and international agreements aimed at stopping nuclear proliferation and nuclear armaments. It should also back strict regulations for nuclear power plants and for the disposal of nuclear waste.

- To protect its economic exclusive zone, Iceland should strengthen international cooperation in the field of search-and-rescue and maritime monitoring. There is a need to increase the Icelandic Coast Guard’s operational capability to undertake surveillance and pollution management in Icelandic waters. Accordingly, the addition of the new surveillance and rescue vessel now under construction should be expedited. Work should be continued on agreements with neighboring countries to ensure the presence of rescue vessels near Eastern Greenland and the maritime area north and northeast off the coast of Iceland. In accordance with the United Nations Convention of the Law of the Sea, Iceland should consider the adoption of stricter rules to deter maritime pollution.

- The transportation of hazardous materials in Iceland needs to be controlled more tightly. This is consistent with the EU’s emphasis on transportation security.

- As the banking crisis of 2008 shows, it is vital that the general public be kept well informed in a state of exception. The government failed to provide adequate information to the public during the crisis. Problems and risks can easily be compounded by a lack of access to information
and knowledge. Moreover, confusion and insecurity can lead to disproportionate reactions—such as bank runs or hoarding of goods—undermining societal security.

- Following the economic breakdown steps must be taken to resurrect Iceland’s reputation abroad and reestablish trust in government institutions and businesses. An information campaign should not be based on essentialized notions of Icelandic uniqueness but rather on governance and societal values.

- Iceland should, in cooperation with neighboring states and international institutions, prepare contingency response plans for a number of security-related emergency situations. Response plans for global outbreaks of influenza, volcanic eruptions and airplane accidents are already in place. There are also general plans for dealing with fires, explosions and other scenarios that can threaten lives and the environment. But detailed strategies to deal with economic crises, disruptions of food and oil imports, cyber attacks and nuclear-, bio- and chemical hazards, to name but a few examples, should also be adopted.

- It is imperative—particularly in view of the financial crisis—that expenditures earmarked for security and defense be used prudently. It is the recommendation of the commission that all domestic organizations involved in security, whether they involve civilian or military matters, work closely together. Such pooling of resources would not only increase efficiency, it is also consistent with approaches to security in other states which stress the convergence of all aspects of security.

- Risk and threat assessments should be updated regularly in view of rapid and shifting security priorities in a globalized world. The collapse of the Icelandic banks is a prime example of this need. Until the banks crashed, the security of the financial sector was greatly overestimated. Such security reports, risk assessments and response plans should not only be kept at those institutions responsible for each risk factor but should also be accessible centrally to facilitate a coordinated response to emergencies.
General documentation (in Icelandic and English)


Ingimundur Friðriksson, „Aðdragandi bankahrunsins í október 2008.“ Fyrirlestur (febrúar 2009) sóttur 9. febrúar 2009 af [http://www.amx.is/skjalasafn/25264f1b356b6323009897db1fa77d64/original.pdf](http://www.amx.is/skjalasafn/25264f1b356b6323009897db1fa77d64/original.pdf)


Lög um sóttvarnir nr. 19/1997.


Mat lögreglustjóra á hættu á hryðjuverkum og skipulagðri gleipastarfsemi. Reykjavík:


http://www.utanrikisraduneyti.is/media/Frettatilkynning/Stoltenberg_skylan.pdf


