

# Abstracts

Temannummer: Færøernes økonomi og politik

## **Faroese Politics – Between old Political Traditions and New Administrative Practices**

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Despite formal disputes, the Faroese political system functions as a de-facto independent political system that legislates, administers, and decides on issues affecting the life and opportunities of the individual Faroese citizen. This article presents basic features of the Faroese political system and introduces some political tendencies in the Faroe Islands. The Faroese political system is a case of a parliamentary system with a multiparty system, but while the political traditions are well-established, the administrative practices are of a much more recent date. During the last two decades, the Faroese political agenda has been characterized by polarization in relation to distributional as well as value policy. At the same time, a rare cross-party unity in relation to Denmark has developed, in terms of united demands for more influence on the joint foreign and security policy.

## **The Economy of the Faroe Islands – Growth through Export**

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For the past 200 years the Faroe Islands has gone through a major economic transition from being a backward agricultural society to a fishing nation with a diverse economy. It is now one of the most

successful and richest nations in the world. This article describes the historical development and discusses the connection between the exporting sector and the economy, and it asserts that the size of the export income determines the size of the whole economy. Further it is discussed how the size of the economy and the population are connected, where the size of the economy determines the size of the population. Finally, the article discusses the economic growth in the Faroe Islands. Economic growth does not just happen but is a result of the international technological development and innovations. This development happens in waves that lift the society and economy to a higher level. The exporting sector is the channel that, through demand effects and productivity growth, leads the international development into the economy.

## **The International Relations of the Faroe Islands**

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The Faroe Islands have representations in Reykjavik, Copenhagen, London, Moscow, Brussels and Beijing and associated membership in several international organizations. The independent action of the Faroe Islands on the international scene in recent years have caught public attention and raised controversial questions. Most recently concerning Huawei, where the

Chinese ambassador in Copenhagen visiting Tórshavn was subsequently accused of making accepting Huawei equipment in Faroese 5G net a precondition for a Sino-Faroese trade agreement. A few years earlier, Faroese fish exports to Russia and the mackerel dispute with the EU had raised eyebrows in Copenhagen and raised the question of the position of the Faroe Islands in the Kingdom of Denmark. This article gives an overview of Faroese foreign affairs and the background for the current cases concerning Huawei, Russia, the mackerel dispute and the EU blockade, and seeks to place Faroese international affairs in a historical and geostrategic framework.

### The Fish Battles

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Economy and politics in the Faroe Islands are often linked to fish in one way or another. In this article, we first provide an overview of Faroese fisheries, after which we analyze three recent and major conflicts over Faroese fisheries. They are 1) the conflict between fishermen and biologists about how many demersal fish should be fished each year in the sea around the Faroe Islands; 2) the conflict between the Faroe Islands and the EU over how large the Faroese mackerel quota should be; and 3) the conflict over the very ownership of the fishery resources: whether they are the property of every Faroese, or whether they are the property of the shipowners, and how the fishing rights should be distributed. We conclude that these conflicts basically are about ownership of the resource and how to manage this ownership. Although the conflicts are provisionally 'resolved' today, they are not finally resolved and are still simmering in Faroese fisheries policy.

### Dreams about oil on the Faroe Islands

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The ignition of the Faroese oil dream came in September 1992 when the Faroese Prime Minister Atli P. Dam returned to the Faroe Islands from a negotiation with the Danish Government and the Danish Prime Minister Poul Schlüter with an agreement stating that the subsoil and potential resources would transfer from Danish to Faroese affairs. Today, 28 years later and after nine oil exploration drillings in the Faroese offshore subsoil, oil in commercial quantities for further development and production is yet to be found. However, the oil dream has affected the Faroese society where great socioeconomic changes have occurred. This article tells the story about the dream that changed the Faroe Islands. The article arrives at a conclusion and a discussion of how this dream fits into the contemporary expectations of the future.

### Between Salmon, Lice and Putin. On Industrial Performance, High Politics and Sustainability

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Despite being a small peripheral island community in the North Atlantic with a tiny population, the Faroe Islands has developed an industrial sector of global power and standards. The Faroese salmon industry's development into one of the world's absolute leaders exemplifies how small states can utilize local resources and knowledge for incredible local value creation. Further, it shows how small island jurisdictions can manoeuvre politically to position themselves favourably in the global market. The article sheds light

on how the Faroese salmon industry is rooted in a local context and discusses the development of the Faroese salmon industry in a high-political and sustainability perspective.

### **The University of the Faroe Islands: From Nation Building to Nation Branding**

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The University of the Faroe Islands is at a crossroads. This article will lead the reader through the early history of Fróðskaparsetur Føroya, its

transformation from an academy in the 1960's through its transformation into a university in 1987, the university reform of 2008, and change of Rector in 2019. The article aims to map how Fróðskaparsetur Føroya has gone from having a very strong and successful organisational identity with a focus on nation building and cultural autonomy, to an organisationally weakened and divided institution with no clear common goal. The article points to the economic downturn of the 1990s and the shift from academy to university as being the defining factors for the loss of organisational and institutional identity. In order to make itself relevant in a small society experiencing tremendous growth, it is imperative that the University of the Faroe Islands develops a united organisational identity.