

TOURISM IN ICELAND IS THRIVING BUT THE LOCALS SUFFER



Tourism in Iceland has been growing for several years. The inflow of visitors has brought in a lot of money to the budget. However, there are only few hotels on the island and the inhabitants along with environment suffer from the booming industry.

The news about various actions of tourists in Iceland fill the media all year round. In November, a couple went swimming to the glacier lake Jökulsárlón. In October, a pensioner wanted to bathe in a hot spring. He suffered severe burns as he climbed into the almost boiling water. Last winter, rescuers had to help various tourist groups three times in one month. Some British tourists even wanted to ski across the island.

Tourism in Iceland is booming. **In the past four years, the number of visitors has doubled.** The rise began after the bank crash in 2008. The weak currency made visits much more affordable. Another factor was Iceland's Eyjafjallajökull volcano, which awakened the curiosity of many travelers. Iceland's success in the European football championship did the rest. By the end of October this year there were 1.5 million visitors, about a third more than in the same period in 2015. As of now tourism in Iceland is the most important industry. The revenues exceed that of the fish industry.

However, Icelanders are becoming more aware of how little they are prepared for the inflow. In Reykjavik, a number of construction sites of hotels and new accommodation facilities can be seen, but the lack of beds is not the only problem.

"The government has done nothing to counter the insane burden of tourism," says Katrin Oddsdottir, a lawyer and activist. Icelanders are unable to protect their nature. They complain about the tourists and their attitude to the environment. "If this continues we will be like the Benidorm of the North."

Many Icelanders are annoyed by tourists who camp where they want, use car wash systems as a shower and sit there in the nature, where nature calls straight. They leave their garbage there and trample over mosses that took centuries to grow on lava soil. In a survey of the Icelandic Tourist Board, 75.7% of respondents said that the tourism pressure on the Icelandic environment is too high.

"We now recognize that inhabitants can also be negatively affected by tourism in Iceland if they act without planning and strategy," says a tourist office director Ólöfrr Atladóttir. Before tourists started arriving, the fish industry was the main source of income. Fish business still works well on the island. "You catch a fish in the sea, take it to the factory and sell it," explains Ólöfrr Atladóttir. "No one sees a cod walk around the streets or how he occupies the favorite table in a café."

Counting the nights, there are on average daily nearly 30,000 tourists in the country, Islandsbanki has calculated in a study. With only 337,000 inhabitants this represents one of the highest rates in the world.

One third of Iceland's export income comes from tourism, as well as more than one in

three jobs created since 2010. The unemployment rate has decreased by 2.6%. Tourism in Iceland has helped the country out of the crisis, but it also has to cope with a few issues.

Vilhjálmur Egilsson, rector of the University of Bifröst, already warns of a supposed bubble. Wages have grown dramatically, Icelanders spend the money, imports grow faster than exports, the value of the crown increases.

“A lot of alarm bells are about to ring,” says Egilsson. “Somehow the bubble will burst.” The tourism boom, however, delayed the bursting of the bubble. As of now, Iceland’s economy is growing.

“But when that stops, there will be problems because many invested in this growth.” Economists would prefer the Icelanders to get more income from tourism in the underfunded healthcare and infrastructure than in private consumption.

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