

Commentary

## Future Greenland 2015: Tourism as the Future of Greenland?

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Every second year the Greenlandic Business Association hosts a two-day conference entitled “Future Greenland” in Nuuk.<sup>1</sup> The main theme of this year’s conference was “Growth and Welfare – Scenarios for the Development of Greenland.” The conference had more than 400 participants – mostly from Denmark and Greenland – but the format of the conference seems to be opening up for international business partners. This year’s conference facilitated a dialogue in Greenlandic, Danish and English. Next year even more interpreters will be needed. To strengthen the outreach, the conference was broadcasted live via KNR (Kalaallit Nunaata Radioa – Greenlandic Broadcasting Corporation) to the rest of Greenland which made the conference even more important as a platform for dialogue on the future of Greenland.



**Photo Credit:** Lill Rastad Bjørst

One of the important themes of the conference was the severe economic situation of Greenland and an evaluation of the absence of the promised “mineral adventure.”

According to the Greenlandic geologist Ole Christiansen, former Managing Director of NunaMinerals, Greenland is still not a competitive mining country and missed its chance when the prices on minerals were good a few years ago. A representative from the Danish business community, Managing Director for PensionDanmark Torben Möger Pedersen, characterized the upcoming mineral sector in Greenland as a risky investment and was advocating for minimizing what he called “political risk.” Managing Director from the confederation of Danish Industry Karsten Dybvad likewise identified Greenland’s structural problems as critical and compared the economic situation that Greenland is faced at the moment, to the one Denmark experienced in the 1980’s. What the Danish keynote speakers asked for was that the Greenlandic Parliament would facilitate a more stable investment climate and go for the longtime planning, so investors knew what to expect. Dybvad said “All over the world we have to ask ourselves – what are we going to live from in the future?” This is now the current problem for Greenland.

### **Tourism in the Arctic: a low hanging fruit?**

As a solution to the “problem”, investment in existing industries was mentioned in most of the talks (like fishing, tourism and entrepreneurship). Experiences from Iceland with mass tourism was presented and while the politicians in Greenland right now believe in development in the tourism sector as the “low hanging fruit” the industry identifies a lot of challenges. The director of the Icelandic Tourism Research Center, Edward Huijbens recommended a more conservative approach to tourism development. For tourism development to be to the benefit of Greenland, he said that it needs to be driven by the interest of the local industry. Managing Director of Visit Greenland, Anders Steenbakken chaired a workshop with the title “While we are waiting for the investments” centered on how tourism could develop in the long run. He mentioned that Greenland of course needed a better infrastructure and basic knowledge of “tourist reasons to go” was the key to development in the Greenlandic tourism sector. The workshop was aiming at encouraging the Greenlandic business community to think of new innovative ways to support the tourism sector and via entrepreneurship to develop new products and platforms for corporation.

The minister for Industry, Labour and Trade, Vittus Qujaukitsoq (Siumut) has recently developed a plan to simulate the tourism sector in Greenland. The themes are: 1. Infrastructure, 2. Tax structure, 3. Framework conditions and 4. Tourism concessions. “It has to be easy and not too expensive to travel around the country”, he said to the business magazine *Aurora* before the conference (Holmsgaard 2015: 18). To solely stage tourism as the savior and fixer of the economy is problematic because future tourism development is challenged by a number of factors in Greenland. In 2014, a report produced by the large Nordic consultancy firm of Rambøll identified the most important factors as being a short tourism season, a lack of infrastructure, the current limited capacity, the low standards of customer service, low growth rate, a lack of package tours, the low average of overnight stays (only four in average) the low spending per tourist (1.100 kroner per day), the low priority and lack of concrete initiatives by the Government of Greenland, the lack of online information about the destination and the difficulties with internal and external coordination in the Greenlandic tourism sector (Rambøll 2014: 40-52). The report was meant to inform an ongoing debate on how many mines and mega industrial projects Greenland should tolerate in the future. Tourism in this context was turned into a strategic tool to achieve a more sustainable future for Greenland with permanent local

jobs and development (Rambøll 2014: 5-7). In other words, despite challenges in the management, infrastructure and legal framework in tourism (National Turismestrategi 2013), investments in the tourism sector was framed in this logic as opposed to investments in mining (Bjørst & Ren 2015). The Greenlandic politicians seem to be most keen on improving the infrastructure, and tourism is used as the key driver for arguments about new runways and ports but an investment in tourism is needed and has been needed for many years, especially in the south of Greenland.

Following the debate at the former and this year's Future Greenland Conference, it is a paradox, that arguing for a megaproject is imagined to be the only way of getting regional development. While planning for the big project everything else was a secondary priority. This might change now. At the Future Greenland 2015 Conference there was a feeling of anticlimax and disappointment after the prices of minerals and oil declined. Everybody is now looking for new possibilities in other sectors. A new Greenlandic tourism strategy is being developed at the moment and hopefully supported financially by all parties. Without resources, local capacity building, innovation and entrepreneurship, to reach out to mass tourism could be fixing one 'problem' with just another one. More rehearsal with "small scale" projects is needed.

With the preparation for the Arctic Winter Games 2016, all the important elements for innovation, logistic sand capacity building for the future of Greenland can be tried out as part of a tourism related real life event.

## Notes

1. Read more about Future Greenland: <http://www.futuregreenland.gl/>.

## References

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