

OFFICIAL NAME: Republic of Iceland

CAPITAL: Reykjavik

SYSTEM OF GOVERNMENT: Unitary Multiparty Republic

AREA: 103,000 Sq Km (39,769 Sq Mi)

ESTIMATED 2000 POPULATION 281,900



LOCATION & GEOGRAPHY: Iceland is an island located between the Atlantic and Arctic Oceans, and is also the most westerly country of Europe. It is bound by the Greenland Sea to the north, the Norwegian Sea to the east, the Strait of Denmark to the northwest and the Atlantic Ocean to the southwest. The country is a volcanic island of basaltic lava flows and tuffs. Almost 80% of the land area consists of glacial lakes or mountainous lava deserts and there are a number of active volcanoes and geysers or hot springs. The coastline is heavily indented with many fjords that lead into broad and high ridges. In addition there are several large snow fields and glaciers including the Langjokull, Myrdalsjokull, Hofsjokull and Vatnajokull. Major Cities (pop. est.); Reykjavik 103,000, Kopavogur 17,400, Hafnarfjordhur 17,200, Akureyri 15,000, Sudhurnesjabar 10,300 (1994). Land Use; forested 1%, pastures and agricultural-cultivated 23%, other 76% (1993).

CLIMATE: Iceland has a cold temperate climate that is influenced by the North Atlantic Drift, which is a continuation of the Gulf Air Stream. It has a changeable climate that is relatively mild but extremely windy while summers are damp, cool and cloudy with brief spells of fine weather. The wet season is from October to January with an average monthly precipitation in October reaching 940 mm (37 inches). Average temperature ranges in Reykjavik are from - 2 to 2 degrees Celsius (28 to 36 degrees Fahrenheit) in January to 9 to 14 degrees Celsius (48 to 67 degrees Fahrenheit) in July.

PEOPLE: The population is almost entirely Icelandic who are descendants from the Norwegians and Celts with less than 1% of the population born elsewhere, mainly from Scandinavian countries.

DEMOGRAPHIC/VITAL STATISTICS: Density; 3 persons per sq km (8 persons per sq mi) (1991). Urban-Rural; 90.7% urban, 9.3% rural (1990). Sex Distribution; 50.2% male, 49.8% female (1991). Life Expectancy at Birth; 75.7 years male, 80.3 years female (1990). Age Breakdown; 25% under 15, 25% 15 to 29, 22% 30 to 44, 13% 45 to 59, 10% 60 to 74, 5% 75 and over (1991). Birth Rate; 18.7 per 1,000 (1990). Death Rate; 6.7 per 1,000 (1990). Increase Rate; 12.0 per 1,000 (1990). Infant Mortality Rate; 4.0 per 1,000 live births (1990).

RELIGIONS: Mostly Christians with 73% of the population Evangelical Lutheran.

LANGUAGES: The official language is Icelandic which is derived from Old Norse and although it is a remarkably uniform language there are geographical dialects between the inhabitants of the north, east, south and west.

EDUCATION: Aged 25 or over and having attained: N/A. Literacy; literate population aged 15 or over virtually 100% (1989).

MODERN HISTORY - WWII TO 1993: Iceland officially gained independence in 1944 under President Sveinn Bjornsson. In 1946 Iceland joined the UN and became a founding member of the North Atlantic Treaty Organization (NATO) in 1949. Between 1958 and 1972 Iceland gradually extended its coastal fishing limits and prohibited other countries from fishing within that zone, which resulted in Great Britain's strong objections. In 1975 Iceland extended the limits to 200 nautical miles (370 km) which caused another dispute between Iceland and Britain. During 1972 to 1976 the second "Cod War" with Britain resulted in serious incidents occurring at sea before a compromise agreement was reached in 1977 that gave Great Britain limited access to the zone claimed by Iceland. In 1980 Vigdis Finnbogadottir was elected as Iceland's first woman President. In June 1988 Finnbogadottir was reelected as President for her third term. On Jan. 17, 1991 Iceland's main volcano, Mt Hekla erupted throwing smoke and ash some 12km (7.4 mi) into the atmosphere. On Apr. 20, 1991 elections resulted in the Independence Party gaining a further 8 seats to total 26 with David Oddsson forming a coalition government on April 30. In June 1991 Iceland quit the International Whaling Commission over the decision to extend the 1986 ban on whaling for another year while in Oct. 1991 Iceland and other EFTA members reached an agreement with the EU on the establishment of the European Economic Area (EEA) that provided Iceland access the EU markets for most of their fish products without import duties. In 1992 Iceland's economy experience a deep recession, in principal due to the large decrease in fish stocks such as cod as a result of over fishing by the ever increasing fishing fleet. In the face of the economic downturn Prime Minister Oddsson introduced new deflationary measures to simulate the domestic economy and also set in place new public construction works. In Feb. 1992 Prime Minister Oddsson visited Israel, although his visit was overshadowed by allegations from the Wiesenthal Institute in Tel Aviv that an 81 year old naturalized Icelander, formerly from Estonia prior to the end of WWII, had committed war crimes some fifty years earlier. Prime Minister Oddsson's government established a committee of inquiry to investigate the claims but later concluded it was impossible to prove those claims and that no further action be taken. In Jan. 1993 the Althing (Parliament) ratified the long debated EEA agreement between EFTA member nations and the EU. During 1993

unemployment as a result of the economic recession reached 4.5% the highest level since WWII, with the main reason being attributed to the government's imposition of reduced fish catch quotas the year earlier. The government in a conservative measure due to further declining cod stocks reduced the 12 month cod quota from Sept. 1993 a further 25% from the previous year's period.

CURRENCY: The official currency is the Krona (ISK) (plural; Kronur) divided into 100 Aurar.

ECONOMY: Gross National Product; USD \$6,236,000,000 (1993). Public Debt; USD \$2,406,000,000 (1993). Imports; ISK 93,243,000,000 (1994). Exports; ISK 113,554,000,000 (1994). Tourism Receipts; USD \$137,800,000 (1994). Balance of Trade; ISK 20,311,000,000 (1994). Economically Active Population; 145,600 or 54.6% of total population (1994). Unemployed; 4.7% (1995).

MAIN TRADING PARTNERS: Its main trading partners are the UK, Germany, other EU countries and the former USSR.

MAIN PRIMARY PRODUCTS: Cattle, Dairy, Diatomite, Fish, Fodder, Hay, Hydroelectric and Geothermal Power, Potatoes, Poultry, Sheep.

MAJOR INDUSTRIES: Agriculture, Aluminum Smelting, Cement, Fish and Food Production, Fishing.

MAIN EXPORTS: Aluminum, Fish, Fish Products, Sheepskin Products, Wool.

TRANSPORT: Railroads; nil. Roads; length 11,380 km (7,071 mi) (1989). Vehicles; cars 119,731 (1990), trucks and buses 14,450 (1990). Merchant Marine; vessels 392 (1990), deadweight tonnage 135,223 (1990). Air Transport; passenger-km 1,416,000,000 (879,861,000 passenger-mi) (1989), cargo ton-km 37,572,000 (25,582,000 short ton-mi) (1989).

COMMUNICATIONS: Daily Newspapers; total of 5 with a total circulation of 135,000 (1992). Radio; receivers 197,000 (1994). Television; receivers 76,250 (1994). Telephones; units 143,597 (1993).

MILITARY: 2,200 (1994) total active NATO-sponsored duty personnel with 0.0% army, 81.8% navy and 18.2% air force while military expenditure accounts for 0.0% (1993) of the Gross National Product (GNP).