

Iceland's new leader: 'People don't trust our politicians'

Wednesday 14 February 2018, by [HENLEY Jon](#) (Date first published: 9 February 2018).

Katrín Jakobsdóttir says her goal is to restore confidence as she becomes Iceland's fourth prime minister in two years. The leader of the Green Left Movement has alienated some of her original supporters already...

By the age of eight, Katrín Jakobsdóttir was reading Agatha Christie. A couple of decades later, she wrote her masters dissertation on the works of Arnaldur Indridason, a king of Nordic noir. In literature, crime is her thing.

It is a specialism that might stand her in good stead in her new real-life job, as prime minister of Iceland and, at 42, Europe's youngest female leader. "Crime fiction," she said, only half-joking, "is about not really trusting anyone. And that's generally how politics works."

Brought almost to its knees by the 2008 crisis, Iceland has since been rocked by a succession of ethical and financial scandals that have left voters deeply disaffected by what many see as the endemic - and largely unpunished - cronyism and corruption of their political and business classes.

As a consequence, Jakobsdóttir, a slight, driven 42-year-old is the country's fourth prime minister in two years. A socialist, a feminist and an environmentalist, she heads the Left-Green Movement and has bold policy goals on climate change, gender equality and public services.

But perhaps her most daunting challenge will be to change this north Atlantic island's political culture, and to restore the confidence of its 340,000 people in their politicians - while heading an unlikely coalition with the two conservative parties most closely associated with those scandals.

"A lot has happened in Icelandic politics, and people really don't trust Icelandic politicians," Jakobsdóttir said in an interview in her central Reykjavik office. "I can't blame them. But now we need to think how we can best rebuild trust in politics."

She said many on the left were still "very angry with me" for her decision to form a left-right coalition after last October's parliamentary elections - Iceland's fifth since 2017 - with the conservative Independence party, part of nearly every Icelandic government since 1944, and the centre-right Progressives.

The leader of the former, Bjarni Benediktsson, has been embroiled in multiple scandals: Iceland's last government, which he led, collapsed less than a year after taking office when it emerged he had known for months that his father wrote a letter supporting the rehabilitation of a notorious convicted paedophile.

After revelations in the Guardian, Benediktsson also faced awkward questions over the sell-off, when he was still an MP, of millions of króna of his assets in a big Icelandic bank's investment fund just as the government was seizing control of the country's failing financial sector at the height of the crisis.

His name also appeared in the Panama Papers leak that forced the resignation of his predecessor as prime minister, Sigmundur Davíð Gunnlaugsson. Then the leader of the Progressive party, Gunnlaugsson stepped down in 2016 amid public fury at revelations that his family had sheltered money offshore.

A writer and academic with three young boys whose mother was a psychologist and whose twin brothers are both university professors, friends whisper that Jakobsdóttir – known in Iceland, like everyone else, by her first name – has both Benediktsson, her finance minister, and current Progressive party leader Sigurður Ingi Jóhannsson, her transport minister, “round her little finger”.

She, unsurprisingly, refuses to say very much about that, beyond “I know them well” and “everything is going very smoothly”. But scandal-tainted or not, going into government with a pair of alpha-male conservative heavyweights was absolutely the right thing to do, she said.

First, the financial scandals date to a time, before the crisis, when there were “few ethical rules for politicians, no rules or regulations on how you present your interests,” she noted. “That was astonishing, but it’s no longer the case.”

Beyond that, though, “I look at it pragmatically, not moralistically. I think, ‘We’re here now, we need to change the system, so we need everyone at the table.’ Not, ‘I’m not going to work with you because you did things I think are morally wrong.’”

Codes of ethical conduct “don’t work like normal legislation”, Jakobsdóttir insisted. “They work because everyone sits down together and says, ‘We need to work rules out for ourselves.’ And then they need to look carefully at how well those rules have worked, which we’re now doing.”

A late developer economically and politically, Iceland needs “systemic change to restore confidence”, she said. “But doing it this way, having very different parties – in both their political perspective and their cultures – working together ... Yes, it’s a gamble. But I really think it’s an opportunity for us to rethink, reinvent ourselves.”

Proof of whether it pays off will be in the achievements of her government, which has a wafer-thin majority of just 35 MPs in the 63-seat Alþingi. Of Iceland’s four most recent governments, only one, the left-leaning administration in which Jakobsdóttir served as education minister from 2009, served a full four-year term.

It certainly has ambitions, the first of which is to boost spending on health, education and public transport after years of post-crisis austerity.

Iceland fell into a deep recession following the 2008 crash, during which its three major banks failed with liabilities of 11 times the country’s GDP. The stock market plummeted by 97%, the value of the króna halved, and Iceland became the first western European country in 25 years to ask the IMF for a bailout.

With a reformed financial sector, growth of 4.9% last year, and unemployment down at just 2.5%, the economy has bounced back strongly on the back of an unprecedented tourist boom, but that progress “has not been shared enough, or delivered into public infrastructure”, Jakobsdóttir said.

On the environment, Iceland aims to be carbon neutral by 2040 – a more ambitious target than the Paris climate accords. “It’s doable,” Jakobsdóttir said confidently. “Iceland has renewable energy resources; we have a head start. But again, we won’t manage it unless everyone pulls together.”

She is also determined to push the country further on gender equality. This month it became the

first country in the world to enforce an equal pay standard, but Iceland “is not a gender paradise”, she said. “We have done a lot of good things here, but there are fewer women in this parliament than in the last one. We’re not there yet.”

The #MeToo revolution was “as much of an eye-opener here as anywhere”, Jakobsdóttir said, revealing a country in which entrenched inequality and male power games had survived untouched. Combating gender-based violence and discrimination would be “an absolute priority” starting at home, with government institutions and the political parties.

But she is, she said, cautiously optimistic for the left. “I think the politics of this century are going to revolve a lot around left and right,” she said. “It’s about people who can hardly live on their salaries, people’s rights ... How people are treated. We’ve never had a greater need for equality. How we do it doesn’t matter.”

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The Guardian

<https://www.theguardian.com/world/2018/feb/09/icelands-new-leader-people-dont-trust-icelandic-politicians>