



EXPLORING TOURISM IN THE FAROE ISLANDS

*Understanding the impacts on rural areas
– a single case-study of the village Gjógv*

AALBORG
UNIVERSITY,
2016
TOURISM
MASTER'S
THESIS

BY
BÁRA
MICHELSEN

SUPERVISOR
LILL RASTAD
BJØRST
SUBMISSION
DATE
29TH OF
NOVEMBER
2016

Table of content

Introduction	4
Motivation	4
Aim and objectives	5
Defining concepts	5
Defining development	5
Defining impacts	5
Defining values	6
Defining rural areas	7
Methodology	8
Introduction	8
Philosophy of science	8
Grounded theory	9
Exploratory research and Case study	10
Data collection	11
Interview guide and interviewees	11
Secondary data and other relevant data	13
Validity and Reflexivity	13
Introduction to the Faroe Islands and the case study.....	15
The Faroe Islands	15
The tourism industry in the Faroe Islands	16
The village of Gjógv	17
Literature review	19
Introduction	19
Conceptualizing tourism	19
Conceptualizing policy	19
Conceptualizing planning	21
Approaches to tourism planning	23
Tourism as an industry	23
Tourism Impacts	24
Tourism – A tool for rural development	26
Conceptualizing community	27
Entrepreneurship in tourism	28
Policy and sustainability	29

Sustainable development and Sustainable tourism	29
Destination management.....	31
Destination marketing or management?	31
DMO roles and levels.....	34
Conceptualizing stakeholder and stakeholder theory.....	35
Collaboration and coordination,	36
The role of the state in tourism.....	37
Analysis.....	38
Part one: Where are we?	38
A description of the overall tourism strategy for the Faroe Islands.....	38
Tourism as a new core industry.....	40
How is tourism impacting the Faroe Islands and rural areas?	41
The economic impact	41
The social impact	42
Improvement to the infrastructure	43
Tourism and the Environment.....	45
The impact of “un-planned” tourism	46
Discussing the DMO’s values vs. local values	46
The managerial voice.....	47
The critical voice	47
Chapter conclusion	48
Part two: Who gains and who loses?	49
Introducing the case study	49
The discussion of power	50
How can tourism benefit Gjógv?	51
Economic growth.....	51
Nobody pays for anything!	52
Job creation and stronger identity and hopes for the future.....	53
Chapter conclusion	54
Part three: Is this development desirable? What, if anything, should we do about it?	55
Levels and funding of DMO’s.....	55
The Role	56
Confusing roles and who owns the ball?	57
Faroese DMO functions	58

Destination Marketing or Destination Management	59
Sustainable tourism	60
Conclusion	62
Contribution	64
References	65

Introduction

Tourism - the world's fastest growing industry (Saarinen, 2007). According to Hall (2008) tourism is significant not only because of the truism as the world's largest industry when it comes to the number of people travelling, increase in employment or destination income but also because of the enormous impact on people's lives and the places where they live. Cao et al. (2014) state how the development of the tourism field has; "...*diverse, complex, and contradictory economic, political, social, cultural, and environmental impacts*" (ibid, 2008:1). This thesis seeks to understand the impacts tourism in the Faroe Islands has on the rural areas.

This thesis uses phronetic social science as a tool to gain this knowledge and also in order to take a deeper look at values in tourism. In recent years the Faroe Islands have presented tourism as a new core industry in the Faroese economy (Appendix 1).

Motivation

In the search for a thesis topic, I went to a fair called Jobmatch in the Faroe Islands. A yearly fair with the goal to create and maintain the connection between Faroese firms and institutions, Faroese residents abroad and Faroese students (www.jobmatch.fo). Here I booked a "job-talk" with Sunda Municipality and Visit Tórshavn. I wanted to get an idea of what was going on the Tourism Industry from their point of view. It was at this point I found a commonality in the challenges they were facing when it comes to tourism. Sunda Municipality expressed a concern about not knowing how to manage tourism, where to start or how to harvest the full potential. They wanted to be a part of this fast growing industry. Theresa Kreutzman the CEO of Visit Tórshavn pointed out a major issue in her eyes how the structure had changed leaving the municipalities "on their own" in local tourism development and without the means to do so. Furthermore, this created frustration in the industry. Because it was important to me, the researcher, that this thesis addressed problems that matter.

Aim and objectives

This project therefore aims to understand how the development of the tourism field impacts the rural areas in the Faroe Islands.

- Examine the current complexities in local tourism development in the Faroe Islands based on these complex tourism impacts mentioned in the data collection.
- In the search for a better understanding of values in tourism, this thesis uses a single case study of the village Gjógv for in-depth knowledge of how tourism can benefit a local community like Gjógv. Furthermore, what kind of development would be desirable for the smaller communities in the Faroe Islands?

Defining concepts

At this juncture it is important to explain some of the concepts used so far. This is done in order to create clearance as to how the terms are put to use and in order to create a common understanding of the concepts.

Defining development

In this context the term development is used in its dictionary form. The Faroese term “menning” is translated into development. In Faroese the term covers terms “*development, improvement, growth; progress, advance, step forward, step in the right direction; process*” (www.sprotin.fo). Thus, when the word development is used in the above mentioned aim of the thesis it comprises meanings as, progress, growth or the process Faroe Tourism is experiencing right now.

Defining impacts

The term impact or tourism impact is usually used in a way that implies that it has an effect on something, be it a place, a person, the environment or the economy. It is also in this context impacts are to be understood in this case. The impacts are usually divided into three categories: environmental, social and economic (Hall, 2008). The categories have a degree of overlap and one does not exclude another. Worth mentioning is also how the consequence can be positive and negative at the same time depending on the perspective. The impacts of tourism are therefore complex, contextual and situational. Making them difficult to understand and identify (Hall, 2008). The challenges are usually

expressed at a local level because it is at this scale most of the problems are managed and perceived. More on this in the literature review.

Defining values

As mentioned in Helgesson and Muniesa (2013) “*Valuations appear to be performed almost everywhere. Countries, restaurants, schoolchildren, damages, pets, waste and indeed academics, appear all to be subject to a wide variety of valuations to assess such things as creditworthiness, performance, aesthetics, or return on investment*” (ibid.,2013:2). This thesis therefore seeks to understand the value of tourism in the Faroe Islands and how this value is being measured. Ren, Petersen & Dredge (2015) point out how in tourism research two different strands appear – managerial approach and a critical approach (ibid, 2005:85). In the managerial approach to tourism the focus is on valuing the economic benefits of tourism and this is measured in visitor nights, occupancy rates and expenditure. In this approach tourism is seen as more than an economic activity, it is also argued that tourism contributes to the sustaining and enhancing social, cultural and environmental goals (ibid, page 86). Limitations to this approach are that values are viewed as solid and single. As a response to this managerial approach is the critical approach rising from anthropology and cultural studies (MacCannell 1976; Smith 1977, cited in Ren, Petersen & Dredge, 2015). Here the concern is with the social and cultural impacts of tourism and tourism is not seen as a positive driver for the development of social and cultural issues. These different strands are recognized in this study and this thesis seeks to move beyond these approaches and view tourism in a more nuanced manner and not giving in to the goodness and badness of tourism. This thesis acknowledges that “*...tourism is managed and performed in ways that are not separate from, but connect with, a jumble of everyday practices and concerns (Cartier and Lew, 2005). This implies that the value and values of tourism turn into something which never stands alone, but always negotiated in relation to and co-enacted along with other elements and concerns*” (Ren, Petersen & Dredge, 2015:88). This thesis therefore uses the case study in order to gain in-depth knowledge of how the value and values of tourism are negotiated and how they relate to other elements and concerns, because tourism is a relational phenomenon.

Defining rural areas

To start out this section is a definition on what the word “rural” entails. Robinson (1990, cited in Page and Getz, 1997) mentions how, popular conceptions of the term rural area is based on the image of something rustic and the idyllic village life. Furthermore he argues that; *“rural” areas define themselves with respect to the presence of particular types of problems. A selective list of examples could include depopulation and deprivation in areas remote from major metropolitan centres; a reliance upon primary activity; conflicts between preservation of certain landscapes and development of a variety of economic activities; and conflict between local needs and legislation emanating from urban-based legislator*” (ibid, 1997:4). In a broader view the Faroe Islands might be considered as a rural area, however this thesis does not separate between the Islands, outer islands, or depending on the size of the town or villages but defines everything outside the capital of Tórshavn as a rural area. As the quote above says, this thesis views these areas as encompassing the same types of problems and therefore they are put under the same definition as rural areas. Furthermore, this validates the use of Gjógv as a case study and how the types of problems found there can be transferred to any other village or rural area in the Faroe Islands. Also how Gjógv can represent the entire rural areas in the Faroe Islands.

Methodology

Introduction

This chapter shows the methods and techniques used to collect and analyze data in order to address the aim and objectives. The emphasis will be on explaining the phronetic social science used in this project. As it is the backbone of this project. Shaping the structure of the Analysis, the interview guide and also the conclusion.

Second, the qualitative research method grounded theory is introduced. Also how this theory entails simple systematic coding and analysis techniques. With this method follows the purpose to discover, develop and verify a theory based on the empirical data presents different methods of information gathering in order to describe the tourism impacts on the rural areas in the Faroe Islands.

Third is the case study research method and following is a section on data collection. introduce the selected interviewees and explain the connection and why they interesting for the project. This is done in order to help find meaning to the theory and analysis section.

At last a reflection of the projects validity, reliability, implications and reflexivity. The reason for this is to show how the chosen methodological approach is made in a critical way.

Philosophy of science

As above mentioned the philosophy of science this project takes point of departure in is phronetic social science. Serving as a basis for the chosen aims and objectives but also the structure of the interviews and analysis is on this basis. This thesis echoes the principal objectives of understanding; “...*values and interests and how they relate to praxis*” (Flyvbjerg, 2005:40).

As mentioned in the motivation it was important to investigate at “real “topic or a “real” problem that was related to praxis in order for this thesis to matter or contribute to the discussion in society. Therefore, in order to arrive at social science that matters this thesis promotes value rationality over epistemic rationality. With this approach the thesis therefore produces food for thought on the ongoing discussion about tourism in The Faroe Islands.

Being aware of the importance of perspectives in phronetic social science. The chosen interviewees have been selected based on their ability to shed light on the topic of local challenges in Faroese tourism. Also to display different perspectives. Because “*what is a “gain” and what is a “loss” often depends, crucially, on perspective: My gain may be your loss*” (Flyvbjerg, 2005:40). Hence giving

me, the writer, “...a way to analyze relations of power, and to evaluate their results in relation to specific groups of interests” (Flyvbjerg, 2005:40).

The methods used have been chosen based on their ability to reflect the problem at hand. This approach does not give complete answers to the questions, but on the other hand generate input to an ongoing discussion about tourism in the Faroe Islands and a dialog about local issues at hand.

This project contributes “...to society’s practical rationality by elucidating where we are, where we want to go, and what is desirable according to different sets of values and interests” (Flyvbjerg, 2005:42).

Grounded theory

Furthermore, this thesis uses grounded theory. This qualitative research method entails simple systematic coding and analysis techniques. With this method follows the purpose to discover, develop and verify a theory based on the empirical data (Boolsen in Brinkman & Tanggaard, 2010). The phrase was discovered by Glaser and Strauss in 1967 (Ibid, 2010).

Theory is generated from data in order to interpret and explain the data in a general manner (Glaser and Strauss, 1967). When using the data to generate theory the theory always fits. Instead if the other way around.

Grounded theory is suitable for this project as Boolsen (in Brinkman & Tanggaard, 2010) mentions how this method is suited for the open problems of “what’s going on”. Since this project seeks to explore “what’s going on” in tourism in the Faroe Islands this method is therefore a relevant tool in order to assist in this explanation.

There are several coding procedures involved in this method. The one chosen for this project is open coding. This method is used to code the articles in the Faroese media and also to code the interviews. This research methodology is a way to generate knowledge and understanding and works well with the aims of this research to understand and examine what topics if any complexities emerged. At first the articles are read through and summarized. Articles from two different portals were collected 99 articles from “in.fo” and 69 articles from “kvf.fo”. Thereafter they are labeled with codes in order to categorize and summarize them. Dealing with large amounts of data can become overwhelming and this method was helpful in making sense of the data collected. The result from the open coding proses can be seen in appendix 2.

With the open coding the data is conceptualized. This is done in order to open up the data and see all the possibilities and potentials (Corbin & Strauss, 2008:160). This reduced the amounts of data and created a language to talk about the data.

After the first interview with Sunda Municipality I started the coding process and found some categories (see appendix 3). These categories laid the foundation for further data collection. In order to see if they said the same or to detect when data saturation has occurred.

Exploratory research and Case study

Within social science the term exploratory research or exploration speaks of “...*broad-ranging, intentional, systematic data collection designed to maximize discovery of generalizations based on description and direct understanding of an area of social or psychological life* (Stebbins, 2012:2).

When researchers explore it is when they hold little or no scientific knowledge about what is examined and believe it encompasses elements that are worth discovering.

In order to do so effectively - flexibility and open-mindedness are crucial qualities (*ibid*, 2012:2).

In this case, the project examines the complex phenomenon of Tourism in the Faroe Islands with Gjógv as a single case study. This method will assist in explaining the complexities in Faroese Tourism and also the village of Gjógv. The design of a single case study of Gjógv will therefore be used in order to explain how tourism can benefit the village.

This method allows focus to be on a few variables. This is also the case for this project at this method has allowed to figuring out these variables what they are and discussing them in the analysis.

Case study as a research method is also in tourism research a much-discussed topic. According to Yin (1981) the *common stereotype* is: “(1) *should be used at the exploratory stages*, (2) *leads only to unconfirmable conclusions*, and (3) *is really a method of last resort*”(page 97). Regardless of this stereotype case studies where a recurrency. Xiao and Smith (2006) recognizing the fact that case study methodology has been characterized as a weak approach. Also tourism research is described as “*stale, tired, repetitive and lifeless* (p.5)” (Franklin and Reang, 2002, cited in Xiao and Smith, 2006:1). The problem seems to be the production of enormous records of instances, case studies but also because the researches are not in the possession of the of the necessary tools to “...analyse and theorize complex cultural and social processes” (*ibid*.2006:1). Stating that this was true in the early

years but are contest the stereotypical perceptions and stating these are not justified in tourism research.

This thesis uses case study as a methodological approach in order to achieve the aim set in the first chapter on how tourism can benefit a local community like Gjógv.

According to Yin (1981:98) the need to use case studies arises whenever:

- An empirical inquiry must examine a contemporary phenomenon in its real-life context, especially when
- The boundaries between phenomenon and context are not clearly evident

Data collection

Interview guide and interviewees

The conducted interviews serve the purpose as a way to understand our fellow human beings or a research field (Kvale and Brinkman, 2009). The aim of this project is to understand how the development of the tourism field impacts the rural areas in the Faroe Islands. Through the individuals chosen for the interviews, the project gains an insight to the issue at hand through their eyes. Since the researcher has, no chance to be present in order to obtain the information first hand this is a privileged way to gain insight to how the interviewees experience the issue at hand. The questions asked therefore play a crucial role, because certain questions construct certain answers. The interviews were made based on the research method of phronetic social science. The questions asked are focused on value rational questions: 1. Where are we going? 2. Who gains and who loses, and by which mechanism of power? Is this development desirable? What, if anything, should we do about it?

As the name indicates, it was used merely as a guide. The questions were open-ended and after asking the opening question, the conversation took a road of its own. This was a conscious choice to have the questions open-ended. Like I said, by explaining to them, what the project was about it allowed them to talk about issues that had great meaning to them and they were passionate about. Topics that they found relevant and important. Since the point of the interview was to gain insight to an area of their expertise it was important to create a setting where they could express themselves freely.

All the interviews took place in the Faroe Islands. I went out to meet the interviewees in a setting of their choosing respectively in Tórshavn, Gjógv and Oyrabakka, between March '15 and March '16. As I am Faroese and the interviewees, the language used when conducting the interviews is Faroese. I believe this makes the interviewees more relaxed and enables them to express themselves clearer in getting the point across when conducted in their native language.

The interviews provide information to the problem at hand. Since the interviewees work within tourism and with tourism daily and therefore have firsthand knowledge of what is happening in the Faroese tourism industry. See the following list of interviews:

Date	Type	Representative
18.03.2015	Sunda municipality	Heðin Zachariasen, Mayor Jógvan Kruse, CFO Noomi Káradóttir Rasmussen, Coordinator
25.09.2015	Visit Tórshavn	Theresa Turidardóttir Kreutzmann, Director
27.10.2015	Sunda municipality	Heðin Zachariasen, Mayor Noomi Káradóttir Rasmussen, Coordinator
29.10.2015	Visit Faroe Islands	Guðrið Højgaard, Director
27.10.2015	Gjáargarður	Eirik Suni Danielsen, Owner
08.01.2016	The Outer Island Association	Olga Biskopstø, Co-ordinator

As mentioned previously the interviewees provide this project with their values and interests and as they are able to relate them to praxis. Comparative viewpoints that will help shape the theory chapter and the analysis. The reason for these different perspectives is the rationale of my gain might be your loss helps this project to illuminate the issue from different perspectives and hence giving a broader view of the issue. The intention was to provide the project with five different courses of information were each source provides an alternative input.

The transcribed interviews can be seen in appendix 4,5,6,7,8, and 9. They are in Faroese and when there are citations from the interviews this is always own translation.

Secondary data and other relevant data

In the search for information I have used the most reliable mass media in the Faroese. This is because I want to get the most reliable information about tourism and the tourist industry in the Faroese. This past year there have also been many television segments and radio programs where tourism has been the subject of the discussion. A share of these segments and programs has been on the rural areas and how the different issues and problems have been discussed.

The different medias will now briefly be explained below.

- in.fo is the web based media for the newspaper Sosialurin. Socialurin is the most selling newspaper in the Faroe Islands.
- Kvf.fo is the public television – and radio station. Their main office is in Tórshavn and it is a public service station working under a public service law set by the government.
- portal.fo is a web portal with the most views in the Faroe Islands. It is p/f Knassar who owns portal.fo. P/f Knassar's funding come from many different part-owners, these part-owners are mostly prominent businesses anchored in the fishing trade and industry.

In order to gain knowledge about the case study relevant web pages have also been used. Such as the Municipal page (sunda.fo) the pages about Gjógv (bygdin.fo and gjógv.fo/gjomadhur).

The strategy plan made by Visit Faroe Islands plays a central role. Also a project on participation and entrepreneurship made in Gjógv in 2013(appendix 10).

Validity and Reflexivity

Phronetic social science is based on interpretations and is therefore open to testing. This project does not lack value because it is made up of interpretations this is an ongoing process where there are no right or wrong answers. If there is a “better” way of explaining the phenomenon the new interpretation replaces the old (Flyvbjerg, 2005). Because the aim is not to provide the right answer or ultimate knowledge but the goal is to provide input to dialogue and praxis. This thesis therefore does not have the final say on what is wrong or right, because this work is dialogical and incorporates different voices.

Following Corbin and Strauss (2008) how the world is complex and that there are no simple explanations (page 8). This thesis therefore tries to capture as much of this complexity as possible and yet knowing it is impossible to capture everything. By capturing different perspectives such as interviews, articles and other available material is a way of grasping as much as possible.

“Reflexivity is commonly used in qualitative research and has been posited and accepted as a method qualitative researchers can and should use to legitimize, validate, and question research practices and representation” (Pillow, 2003:1). As a researcher I am therefore very self-aware of my role and the role of being Faroese and living in the researched area and how it may impact on the project and the researched area. I am therefore very careful and try to remain objective at all times. Being Faroese can in this case both be an advantage and a problem. One advantage is I speak the language and therefore can follow the news and the ongoing debate about tourism. However, I might also entail that I have some prejudice but I try to be objective at all times. Sometimes I catch myself saying “we”. Even though the Faroe Islands are not the biggest of size, the fact that I am born in Suðuroy and have no connection to Gjógv or anyone in the region allows me to look at the case study as an objective outsider.

Introduction to the Faroe Islands and the case study

The Faroe Islands

The Faroe Islands are an archipelago in the Atlantic Ocean consisting of 18 islands situated between Shetland and Iceland. It has 17 of the 18 islands inhabited. The population density is 34.5 per square km., after Denmark this gives the Faroe Islands the second highest population density of the Nordic countries (VisitFaroeIslands.fo). There are about 100 towns and villages creating a large number of sparsely populated villages of different sizes. The Faroe Islands are a resource-based community heavily dependent on the fishing industry as this industry is accountable for the export value of more than 95% (Hovgaard *et.al.*, 2004). The Faroe Islands have since 1948 been a self-governing nation within the Kingdom of Denmark, with its own flag and parliament. This is defined by the home rule legislation.

As mentioned above The Faroe Islands are a cluster of 18 islands with 100 towns and villages scattered around the Islands. The villages are surrounded by rough seas and steep mountains naturally dividing the villages. Hence, creating limitations to the mobility of local people and has for centuries made village life their sole life horizon (Hovgaard and Kristiansen, 2008). Furthermore, modernization has changed this, the close ties with the village community has changed, been opened towards each other and the outside world. Tunnels, bridges and roads are made to connect villages and even Islands (ibid., 2008). Most recent is the construction of two sub-sea tunnels; *“meaning that 85 per cent of the 48.000 inhabitants live with approximately one hour’s driving distance of each other* (Hovgaard and Kristiansen, 2008:61). Even with this change in mobility, this project still acknowledges the areas and villages outside the capital as rural areas. The isolation from the rest of the world has created a population of strong minded, hardened and self-supplying locals. Where the inhabitants are used to living in close relation to the nature and with great respect to nature’s resources for supplying food. Still today pilot whales, wild birds, sheep and fish are an essential part of everyday life and cuisine (Visit Faroe Islands).

The Faroe Islands are divided into six regions as demonstrated in the picture on the right and within the regions are 30 municipalities (www.kf.fo). The regions are: Suðuroy, Sandoy, Vagar, Streymoy, Eysturoy and Norðoyggjar. For the purpose of this project it is important to mention Sunda municipality highlighted with a red marker.



There are nine Tourist Information offices around the regions. To start at top there is one in Norðoyggjar, “Norðoyar kunningarstova”. In Eysturoy there is one, “Kunningarstovan í Runavík”. On Streymoy there are three, “Visit Tórshavn”, “Nólsoyar kunningarstova” and “Vestmanna tourist centre”. In Vagar there is an information desk at the Airport, “kunningarskivan á flogvøllinum”.

Heading further south to Sandoy there is “Sandoyar kunningarstova”. At the bottom, we find Suðuroy with two information offices, “Kunningarstovan á Tvøroyri” and “Suðuroyar kunningarstova”.

The tourism industry in the Faroe Islands

It is difficult to say when tourism started in the Faroe Islands. One can imagine this was when regular boat connection to Denmark was established before the First World War. In 1932 “Føroya Ferðamannafelag” was established, as a private action, with the goal to help guide the visitors traveling to the Faroe Islands (Visit Faroe Islands). In the last years a lot of talk has been on how tourism can become a new leg to stand on for the Faroese economy. Visit Faroe Islands has undergone turbulent times in the recent years. On the 26th of May in 2011 it was re-established and in 2012 Guðrið Højgaard was set as the new director.

The bill proposal about P/F Visit Faroe Islands explains how for the past 30 years the course of tourism has fluctuated greatly. Based on a rapport from 1983 about tourism in the Faroe Islands, the Faroese Parliament agreed to pass a law in 1984 to establish a tourism central office. The tourism central office was organized by management with 7 members who had the highest authority and were responsible for office activities. In the management were delegates from Føroya Kommunufelag, Tórshavnar Kommunu, Gistingarhúseigarar, ferðamannafeløgini, MBF, samferðslunevndini og landsstýrið. A managing director was set to run the daily operations. Additionally an advisory

delegate board with a limit of 20 members was established. The government decides which firms, concerns and institutions have the rights to announce members for the delegate board (Appendix, 12). For 6 years this structure mapped out the Faroe Islands tourism industry but in 1990 a new law passed: law of the Løgting about Ferðaráð Føroya^[LRB1]. The reason for this change was because it had not worked according to the plan. Specifically the board was too large. The name was changed to Ferðaráð Føroya and the main alteration was that the board now only had 3 members instead of 7. All 3 members pointed out by the government and with the right qualifications but not directly part of the tourism industry or active politicians. This structure was considered to ensure a steady flow of work.

The government also has increased the support to tourism. In 2012 the Faroe Islands government decided to reorganize the tourism board. According to Johan Dahl, then minister of trade and industry, the government has decided to invest specifically on creating growth in the Faroese tourism. Visit Faroe Islands has been assigned 16.7 million kr. and statistics are now being produced. The goal is to double tourism so tourism in 2020 will generate a turnover of one billion kr (Hvidtfeldt, 2014).

In 2013 the new brand for the Faroe Islands became “Unspoiled” – “unexplored” – “unbelievable” (Poulsen, 2013 August). This is the national brand for the entire industry to use in order to build up a visual actor when out and marketing the Faroese Islands. In the global context the Faroe Islands are a small actor and if the Faroese actors are going out in the world wide marked with their products without a joint brand, they are going to be even smaller.

This is a result of the determined work of Guðrið Højgaard, who has been the director of VFI since 2012. One of Guðrið’s first priority was too increase and coordinate the marketing and a brandbook was made so the Faroese industry has easy access to this unified brand (www.visitfaroeislands.fo).

The village of Gjógv

Sunda municipality is a result of a cooperation between the municipalities in the villages standing on the banks of the sound between Streymoy and Eysturoy. The municipalities in this cooperation are Hósvík-, Hvalvík-, Haldórsvík- and Sunda municipality. This collaboration was already organized in a municipality association but in 2003 the time was right join in one joint municipality including the villages Gjógv and Saksun. The question was decided by popular vote in all villages and in January 2005, the new municipality went to work. (www.sunda.fo)

On the outermost north-eastern tip of the island of Eysturoy you find the village Gjógv. A small village with about 30 residents. Today Gjógv is mostly known for the picturesque scenery, with multi colored old houses built around the vital natural harbor nestled in the gorge which has given the village its name (www.greengate.fo). In faroese Gjógv means gorge and it is a very fitting name for this village.

Gjógv was a fishing village and the harbor was the main lifeline before the arrival of roads. Back in the days the fishery industry produced a lot of activity in the village. However, accidents at sea have also affected the village as the names on the memorial monuments show. With the changing times after World War 2 it was hard to maintain people in the village and since then the decline in population has been continues (www.sunda.fo)

In concerns of business activities there is the concrete elements factory, established in 1982 (www.sunda.fo). Here precast concrete units are made for different buildings. Also in the village is a smolt farm that is generating much activity. Tourism has had an increased significance for Gjógv. Already in 1984 Gjáargarður started as a Hostel and is still popular with the capacity to host about 100 guests. In 2014 the camping area named Flatnagarður was built with the capacity for 24 carriages. High up in the village is a new summer cottage area with 19 houses (www.sunda.fo).

Literature review

Introduction

Discovered in the data analysis the grand theory that emerged was Management. When managing a destination, it is important to know the impacts tourism has on the area. The starting point for this section is therefore focused on tourism impacts. Afterwards we move to policy and planning. Lastly the focus is on DMO's, stakeholders and collaboration.

Conceptualizing tourism

Following Dredge & Jenkins (2007) the common understanding of tourism *“is a complex and activity informed by, and itself informing, many disciplines (e.g. anthropology, sociology, geography, economics, history) and fields of study (e.g. leisure and recreation studies)”* (ibid, 2007:11)

Tourism is also defines as a *“...slippery (see MacNab 1985; Eden 2000; Wincott 2003, for other slippery concepts) and Fuzzy concept (Markusen 1999)”* (cited in Hall and Lew, 2009:28). The reason for this is because tourism is easy to visualize but because it changes meaning depending on context, purpose and use thus making it hard to define (Hall and Lew, 2009). Tourism is for the most part connected to leisure travel and vacation but the concept stretches wider and is also interpreted from different academic perspectives (ibid 2009). For this thesis it is not important to distinguish between what classifies as a tourist, the different types of tourists, their motivation for traveling or mobility (see Zygmunt Bauman, 1996). However, it is important to mention that tourism is seen as something that takes place in the environment and the environment is made up of human and natural features (Mason 2003). The human environment consists of economic, social and cultural factors and processes and the natural environment consists of plants and animals in their habitat (Mason, 2003:27). Tourism is in this regard seen as a human activity that can impact the environment.

Governments also have different definitions of tourism. However, the most general is directed at capturing the economic worth of tourism (Dredge & Jenkins, 2007).

Conceptualizing policy

Dredge and Jenkins (2007) explain how the study of policy is not a new field of study and how it can be traced back to ancient Greek times. The lengthy history will not be described further here but jump to modern policy studies in the 1940's where they gained momentum (see Hogwood & Gunn, 1984 and Bridgman & Davis, 2004, cited in Dredge and Jenkins, 2007:5). The prevailing view in 1940's

and 1950's was "...that governments had overarching knowledge about what was best for their citizens" Dredge and Jenkins (2007:5). Thomas Dyer defined policy as "*whatever governments choose to do or not to do*" (Dredge and Jenkins, 2007:5 and Hall, 2008:9). Even though this is a broad and flexible definition it implies that governments make a choice about which issues are important and which are not. Therefore, it is about government's position on significant issues. Another definition is made by Bridgman and Davis (2004:3, cited in Dredge and Jenkins, 2007:6) and defines policy as "*the vehicle through which politicians seek to make a difference. Policy is the instrument of governance, the decision that direct public resources in one direction but not another. It is the outcome of the competition between ideas, interests and ideologies that impels our political system*" (ibid. p.6). This definition differentiates from the older definitions about the authoritarian government focus. The definition makes policy political, involving trade-offs and how government is directing its resources. In contemporary definitions there is a growing emphasis on the interactions between actors and agencies and also on the values being brought to the policy process (Dredge and Jenkins, 2007:6). Considine (1994:3, cited in Dredge and Jenkins, 2007:6) mentions how the government-focused definitions stymie the inquiries about the larger question about who wins and who loses when it comes to policy and how policy is formed as a contest between values and ideas. Scholars sharing this perspective call for a broader understanding of policy "*...as a complex dialectical process between a range of actors inside and outside government (e.g. Forester 1989; Fischer & Forester 1993; Fenna 1998; Renn 2001)*" (Dredge and Jenkins, 2007:7). This thesis therefore acknowledges the importance of understanding policy from a broader social process and adapting Bridgman and Davis's definition (2004, cited in Dredge and Jenkins, 2007) where policy is defined as a position or a strategy embraced by government and stems from contests between ideas, values and interests.

Even if tourism is mostly regarded as an activity performed by the private sector governments are also involved in tourism: "*Although tourism is often regarded as a private sector activity, government agencies at all levels of the state have been pursuing tourism as an economic development tool in most developed countries since the 1960s*" (Hall, 2008:164).

The following statement is important in order to understand the division of responsibility in Faroese Tourism. "*Politics is about power, who gets what, where, how and why (Lasswell, 1936). Decisions affecting tourism, the nature of government involvement in tourism, the structure of agencies responsible for tourism development, management, marketing and promotion, the nature of tourism in tourism development, and the identification and representation of tourism resources and attractions, such as heritage, within communities all emerge from a political process. This process*

involves the values of actors (individuals, interest groups and public and private organisations) in a struggle for power” (Hall in Singh, Timothy and Dowling, 2002:99).

“It is value choice, implicit or explicit, which orders the priorities of government and determines the commitment of resources with the public jurisdiction” (Simons et al. 1974:457, cited in Hall in Singh, Timothy and Dowling, 2002:101). Hence for this project this is relevant when discussing why the priority is on marketing and attracting tourists instead of regional development.

“The creation and representation of place is a social process. By its very nature tourism is explicitly related to notions of place through tourism promotion and development. However, whether it be in the developed world or in the less developed countries, tourism development has tended to be dominated by sectional interest and by an institutional ideology that inherently represents tourism as a “good” form of economic development” Hall in Singh, Timothy and Dowling, 2002:109).

Furthermore: *“Policies which are used to attract tourists, lengthen their stay, and increase their expenditure...function to redefine social realities. As definitions are imposed from without, the socio-cultural reality which arises out of everyday life becomes further consumed (Papson, 1981:233)” (cited in Singh, Timothy and Dowling, 2002:116). Making the process as transparent as possible because tourism planning is not only about managing economic and natural capital but just as much about developing intellectual and social capital.*

Conceptualizing planning

According to Dredge and Jenkins (2007) the functions of planning can be traced back to ancient civilization but the birth of modern planning arose from the Industrial Revolution (ibid, p.9). But in the middle of the twentieth century the politics of planning were acknowledged, the role of the government, influence of actors, agencies and businesses in the planning process. Therefore, in the later twentieth century theory and practice have been increasingly placed planning is a broader social setting. As a result, planning is now in contemporary literature seen as to involve dialogue between overlapping or complementary and competing interests (Dredge and Jenkins, 2007:9).

Planning and policy are two terms that are related (Hall, 2008) and like policy, planning is also difficult to define and there is no universal agreement as to how to define the term (Dredge and Jenkins, 2007). Dredge and Jenkins (2007) point to Gleeson and Low's (2000:12) explanation as to why the term is impossible to define: *“planning is a dialectical concept rather than an “analytical” one. An analytical concept is one that can be perfectly and finally defined in such a way that we can know what it is and what it is not. A Dialectical concept on the other hand, is one that overlaps with*

other concepts and even with its opposite. It (planning) is a concept, like “justice”, or “democracy” or “money”, crucially important for social life, but one that can never be pinned down in a unique, perfectly encompassing definition”(ibid., cited in Dredge and Jenkins, 2007:8)

Even if it difficult to define, planning is a traditional and basic human activity which in the simplest form is about “identifying appropriate steps to achieve some predetermined goal” (Dredge and Jenkins, 2007:8). Hall (2008) points out Chadwick’s relevant statement *“that planning is a process, a process of human thought and action based upon that thought – in point of fact, forethought, though for the future – nothing more or less than this is planning, which is a very human activity.(24)”* (ibid, p.8).

For the purpose of this thesis planning is considered a process. This planning process is also seen as a value-laden process, because planners make choices and when they do they bring their values, world view, experience and practice into the process and it therefore becomes a contest between values and interests. Again leaning to Dredge and Jenkins (2007) *“...planning assists the decision-making process that takes place in a political environment. In this environment, it is the role of planners to inform and facilitate good decision-making. Planning is the process of connecting information and knowledge with decision and actions (Wildawsky 1979:127). Good decision making, and therefore good policy, relies on rigorous and informed planning* (ibid.2007:11).

Hall (2008) mentions how strategic planning is regarded as an essential component in sustainable tourism planning. Therefore, the strategic plan is the document that is the output of a strategic planning process and serves future directions, activities, programs and action (ibid, 2008:113). Even though the strategy is for a region or destination it is in an organizational context. Furthermore, Hall (2008) points out how the best plans often include stakeholders from the region or location where tourism activities are planned. The planning process is still being done by individuals in an organization. The ones held responsible for the planning process and outcome are organizations such as local councils, municipalities, tourism departments or elected bodies. The difficulty with strategic planning is to distinguish between a strategic plan for the organization and a strategic plan for the destination which it is responsible for.

Approaches to tourism planning

There are five approaches to public tourism planning, (1) “Boosterism”; (2) an economic, industry-oriented approach; (3) a physical/spatial approach; (4) a community-oriented approach that emphasizes the role the host plays in the tourism experience; (5) a sustainable tourism approach (Hall, 2008:50). Even though divided into five approaches or traditions does not mean one excludes the other or that they appear in a distinct sequence or in a certain order (Getz, 1987, cited in Hall 2008). Since the overall strategy for tourism in the Faroe Islands (appendix X) holds assumptions and attitudes found in “Boosterism” and “an economic, industry-oriented approach” these two approaches will be discussed further below.

Tourism as an industry

Within the economic tradition, tourism is an industry used as a tool by governments to achieve certain goals with economic growth. Even though this approach does not state that tourism is a cure-all for all economic troubles, this approach emphasizes tourism's possible value as an export industry. The focus in this tradition is therefore on the economic impact of tourism. The attention is on the means of how tourism as an industry and how the economic contributions of tourism are measured in order for the role of government regulation and support to be sufficient (Hall, 2008). As Hall (2008) mentions the main characteristics of this approach is the use of marketing and promotion in order to attract visitors who generate the economic benefits to the destination. Here, economic goals are prioritized before the social and ecological questions. Both government and the industry lay emphasis on market segment studies, resulting in limited attention to the negative impacts, and the question of who gains and who loses does not come up (Hall, 2008).

Additionally, the focus is on the destinations competitiveness. According to Henriksen and Halkier (2009) “*public policies promoting the development of tourist destinations, not least in North-western Europe, have traditionally focused on attracting more tourists, primarily through the promotional activities of local localities*”(p. 1446). Also acknowledged by Hall (2008) “*this method might not be the most appropriate strategy in terms of regional competitiveness (malecki 2004)*” (ibid, p. 56).

Furthermore, Henriksen and Halkier (2009) note how promotion still is a conspicuous element in the development of tourism and calls it “boosterist” activities. This leads to the tradition of “boosterism” and how it is debatable if Boosterism can be described as a form of planning since it is more non-planning (Hall, 2008). Entailing a simplistic attitude towards tourism development as being fundamentally good for all entities involved and automatically benefitting the host. Not taking into

account the potential negative economic, social and environmental impacts of tourism. Historically the idea of boosterism stems from when tourist numbers were so small, natural resources overwhelming and the effects of tourism relatively small. Even when tourist numbers grew the perception of tourism as a “smokeless” industry until relative recently according to Hall (2008).

Within this form of planning or non-planning the residents in tourism destinations are not involved in the process surrounding tourism development or in the decision making and those who are opposed may be viewed as negative or unpatriotic. Furthermore, Hall (2008) points out what is interesting in the research, is how the focus is on forecasting the demand with the sole purpose to promote and develop, instead of making sure, that the levels of demand are appropriate to the resources and carrying capacity of a region. To sum up Getz (1987) explains how boosterism always will be practiced by two groups of people: *“politicians who philosophically or pragmatically believe that economic growth is always to be promoted, and by others who will gain financially by tourism. They will go on promoting it until the evidence mounts that they have run out of resources to exploit, that the real or opportunity costs are too high, or that political opposition to growth can no longer be countered. By then the real damage has usually been done”* (ibid., 1987, cited in Hall, 2008).

This passage seeks to clarify the difference between these terms. According to Ritchie and Crouch (2003) both DPPD and destination management seek to improve the competitiveness and sustainability of the destination there is also a fundamental difference (ibid.,2003:147). The difference is that DPPD *“...is essentially an intellectual process that uses information, judgement and monitoring to make macro-level decisions regarding the kind of destination that is desirable...”* (ibid.,2003:147). On the other hand destination management is *“...more of a micro-level activity in which all the many residents and industry stakeholders carry out their individual and organizational responsibilities on a daily basis in efforts to realize the micro level visions contained in policy planning and development”* (ibid.,2003:147). Important for this thesis is to understand how these terms are played out on different levels, macro-level and micro-level and how they both must be done well in order to achieve destination success.

Tourism Impacts

According to Hall and Lew (2009) there are four related concepts together they make up the essentials in tourism and it is therefore fundamental to understand them in order to evaluate the impacts. These concepts are – Tourism, Tourist, Tourism Industry and Tourism Resources (Hall, 2005a, Hall and Page, 2006, cited in Hall and Lew, 2009:28).

As mentioned before, tourism carries social, environmental, economic and political impacts and these impacts are evident in the destination area, where the interaction is between the tourist and the local environment, economy, culture and society (Mason 2003:28). Even though the impacts are divided into different categories it was difficult to separate them at times because the dimensions of the impacts are connected and therefore making the impacts multi-faced. It is also recognized that these impacts can be positive and negative at the same time, depending on the viewer and situation. These different perceptions and understandings are based on different attitudes towards tourism and what tourism represents, based on a set of different values (Hall, 2008). In some cases, residents may be prepared to tolerate the negative impacts in return for what they might see as positive and desired impacts as a sort of trade-off (Mason, 2003:29). Hall (2008) mentions how tourism often is “blamed” for changing a place (ibid.,2008:31). Furthermore, he states that “the reality is that *any* form of development can change the state of the physical and socio-cultural environments” (Hall, 2008:32).

According to Hall and Lew (2009) there are four related concepts together they make up the essentials in tourism and it is therefore fundamental to understand them in order to evaluate the impacts. These concepts are – Tourism, Tourist, Tourism Industry and Tourism Resources (Hall, 2005a, Hall and Page, 2006, cited in Hall and Lew, 2009:28).

For the purpose of this thesis it is acknowledged that tourism does not only impact one-way. Tourism does not only impact the destination, the destination also impacts tourism, hence, creating an exchange process at all levels (Hall, 2008). Tourism is an experiential service product. This leads to Maccannell (2002) who explains the difference between the classical form of commodity and the touristic-experiential that involves the question of ownership. “*Classic commodities may be individually owned. Ownership means they can be passed from a buyer to a seller in exchange for something of equivalent value*” (Maccannell, 2002:146).” The commodities sold in the Faroe Islands are; villages, mountains, landscapes, weather, culture and traditions all things that cannot be exchanged. They cannot be owned by the tourist in the literal sense. However, the attractions can be “*looked upon, trod upon, commented upon, read about, wandered through, slept in, photographed, and sketched, but they remain in place and continuously available for other tourists to visit*” (ibid, 2002:147). Maccannell (2002) puts it so well when he says; “*Tourism is widely acknowledged to be the basis for the world's most rapidly expanding system of economic exchanges. Yet the attractions that motivate touristic travel are found in gaps in the economic system, in spaces that are protected from buying and selling*” (Ibid, 2002:147).

What constitutes as a problem also differs. Because, whether a tourism consequence is recognized by one person and not the other depends on factors like knowledge, interest, value (Hall, 2008:36). Also, it depends on the position in the tourism system, whether you are working in the industry or outside affects how you perceive the consequence of tourism (Singh *et al.*, cited in Hall, 2008:36).

Tourism – A tool for rural development

In the literature tourism is often proposed as a development strategy for rural regions. This assumption is made based on; “...the tourist’s ability to generate employment and income for local residents and businesses (Moscardo, 2014). This perception of tourism as a panacea for development in rural regions is, as mentioned above, through the ‘triple bottom line’ approach with a promise to “improve economic performance, encourage environmentally responsible practices and offering socio-cultural regeneration (Briedenhann & Wickens, 2004). Tourism in periphery places are also feature in the discourse about socio-economic development (for example, Crick 1989; Hall, Roberts & Mitchell 2003; Shaw & Williams 2004, cited in Bærenholdt & Granås, 2008).

To say that tourism is a tool for regional development has now become a “cliché”, according to Hall (in Müller and B. Jansson, 2007). Because tourism has claimed this for over 50 years (e.g. Ullman, 1954; Cornwall and Holcomb, 1966) but tourism has not delivered. As Moscardo (2014) also states, the benefits have not emerged yet or at least slow, modest and sometimes only visible to specific groups inside the community. Therefore, there is a growing interest in figuring out how tourism development happens in practice in rural areas. This is also recognized by Hall: “The sad reality is, that tourism’s role in regional development remains relatively poorly understood as it is often given only a cursory examination by those in regional planning and public policy analysis, while the tourism literature itself often fails to place tourism in its broader economic and social environment” (Müller & Jansson, 2007).

Hall (2008) mentions how the demands for tourism planning and government intervention in the development process are a response to the unwanted effects of tourism development, and that these demands done at a local level (p. 10).

“The truth is that tourism development is being done by those who focus primarily on individual parts rather than tourism as a whole. Tourism can enrich people’s lives, can expand an economy, can be sensitive and protective of the environments, and can be integrated to a community with minimum

impact. But a new mindset is called for, that demands more and better planning and design of all tourism development, especially how the many parts fit together". (Gunn with Var, 2002:3)

Conceptualizing community

As pointed out by Telfer and Sharpley "*there are a wide range of perspectives that can be taken on communities in the context of tourism*" (2007:115). Some see the community as the main attraction and gatekeeper to local knowledge and on the other hand, some see it is simply the setting where tourism occurs (Mowford and Munt, 1998).

Communities are drawn into tourism from both the demand and supply side. As tourists are actively seeking out to experience new destinations but also because communities are becoming aware of the product potential they can offer and economic income gain.

"An important question to consider is who controls community-based tourism and whether the benefits from tourism go to the local people or whether they are controlled by the local élite or external tourism development agents exploiting the local community" (Telfer and Sharpley, 2007:115).

This project acknowledges the notion that communities are not homogeneous and not all residents are supporting integration into tourism (Telfer and Sharpley, 2007). The communities are put together of individuals and organizations. Because they are not alike, they have different values, aims and objectives and this can create conflict and power structure. This is examined closer in the case study of Gjógv. Furthermore, Andersson and Clausen (2014) point to how the turn of the millennium has refreshed the community term with transnational and cosmopolitan theories and how they now also deal with cultural struggles and conflicts over belonging. Andersson and Clausen (2014) also argue how the global mobilities are challenging the traditional conceptualizations of the community.

Hovgaard and Kristiansen (2008) explain in their work, how the Faroese villages are changing. Pointing to how modernization has changed the close ties within the community and how they have loosened. Because of the tunnels, bridges and roads: "*These infrastructural extensions over the past years few decades have constituted a transnational state...*" (ibid., 2008:61). The challenge affecting most villages in the Faroe Islands is the changing youth culture. The young people are turning towards education and this is resulting in out-migration, not only from their village but also the Faroe Islands. Everyday mobility has become an option for most Faroese people (Hovgaard and Kristiansen, 2008:65). Moreover, they point to the fact how 85% of the Faroe Islands inhabitants are able to choose between everyday places contributes to: "*Instead of being conceived as "rural areas", the bulk of*

Faroese villages might rather be seen as suburban spaces that form part of a larger, coherent network region” (ibid, 2008:65). The question then becomes, if this is an option for the village of Gjógv?

Entrepreneurship in tourism

For the purpose of this thesis it is not necessary to define what an entrepreneur is this project adapts the obvious form of entrepreneurship as stated in Zhao, Richie and Echtner (2011) as in the form of starting something up. Furthermore, they point out how in relation to tourism the researcher’s efforts, to date, are generally about “understanding the characteristics and business practices of established firms” (Getz & Carlsen, 2005, cited in Zao et al., 2011). Meaning the orientation of policy prescriptions are mostly about solving managerial problems and provide little or no guidance when it comes to the creation of new enterprises. In the case of entry into entrepreneurship, the literature is divided into two streams where one is focused on the person. Because venturing into entrepreneurship entails venturing into unfamiliar territories with characterizations of risks and ambiguity (Morrison et al., 1999, cited in Zao et al., 2011).

As mentioned before the trends in tourism indicate an increase in demand for small-scaled, nature-related and rural tourism. And because the tourism sector demands a certain degree of involvement from the entrepreneurial sector because of the rapid international market growth (Backman et.al., 2005). Furthermore, the entrepreneurial orientation should therefore be with the respect to rural development focusing on stimulating local entrepreneurs and hence creating jobs and adding economic value to a region or community and simultaneously keeping scarce resources within the community (ibid., 2005). *“What is needed is an environment that enables responsible entrepreneurial development, taking the demands of sustainable development as point of departure”* (Backman et.al., 2005:787).

The tourism entrepreneurs play a vital role in the development of rural areas. *“Environmentally responsible entrepreneurship can be based on resources and experiences offered by nature. Special emphasis can be given to non-material values and renewable natural resources. Nature-based entrepreneurship can have the following attributes: nature-centered, domestic, local, handcrafted, individual”* (Backman et.al., 2005:791). Also important to mention is that these companies operating in the nature-based field are small scaled. Even though small-scaled they have the potential to transform and local resources into products and services for the tourist.

Regina Scheyvens (2003) talks about the important question of who should manage tourism in destination communities. In tourism the host communities play an integrate role but what they lack is typically the power to influence (page 230). Even though they are the once who must live with the consequences they not the once who dictate the terms or conditions. Tourism needs to remain small-scale in order for communities to play a management role.

Policy and sustainability

Dredge & Jenkins (2007) point out how they see how in tourism policy and planning sustainable tourism development frequently the goal. “achieving tourism development that minimizes negative effects and maximizes positive effects and can be sustained over the long term is a stated fundamental goal for most agencies. The goal of sustainable tourism development is also mentioned in the overall tourism strategy for the Faroe Islands. If this goal is pursued or not is not for this thesis to decide, however Dredge & Jenkins (2007) mention the importance of policy to be sensitive to the local political climate, community expectations and aspirations if they are to be accepted and successfully implemented. Explained closer: *“In this sense. Sustainable tourism development cannot be given local meaning and tangible directions unless it is constructed within a plausible understanding of the planning and policy environment”* (ibid, 2007:15).

Sustainable development and Sustainable tourism

It is important to clarify the difference between sustainable development and sustainable tourism development. Leaning on to the explanations of Hall (2008) that sustainable tourism is a subgroup from both tourism and sustainable development. The major difference is that sustainable development operates on a broader scale incorporating all aspects of human interactions with the Earth’s environment. Whereas sustainable tourism refers to the sustainability concepts of social, environment and economic effects.

Also in development studies the tourism impacts have received increasing attention over the past decades says Saarinen (2006). Pointing out the before mentioned complex duality of tourism. How the industry has a *“tremendous capacity to generate growth in the destination area”* (ibid.2006:1121) but on the other hand *“the impacts have also lead to a rage of evident and potential problems* and of environmental, social, cultural, economic, and political issues in destinations and systems, creating a need for alternative and more environment- and host-friendly practices in development, planning, and policies.

“The idea of sustainable tourism involves the recognition of negative impacts and the need to manage them in order to achieve the goals of sustainable development” (Saarinen, 2006:1126)

Saarinen (2006) mentions traditions of sustainability in tourism studies and refers to them as resource-, activity-, and community-based traditions of sustainability.

Hannam & Knox (2011) mention the four key principles to sustainable tourism presented in the book *Tourism and Sustainability* by Mowford & Munt (2003). The four key principals are:

Ecological sustainability: minimizing the environmental impacts of tourism activities fx. Formally calculating the carrying capacity.

Social sustainability: here is referred to a community's ability to absorb extra people for a long or short period without it disrupting the community and they are able to function without disharmony or social change.

Cultural sustainability: people's ability to retain or adapt elements of their culture that makes them different. It is the case of holding on to the local culture in the face of global tourism.

Economic sustainability: what is referred to here is economic gain of any tourism activity in order to cover the costs of any measure taken in order to cater for the tourist and to alleviate the impact of the presence of the tourist (Hannam & Knox, 2011:130).

There are several tools of sustainable tourism: Area protection, Industry regulation, Visitor management techniques, environmental impact assessment, carrying capacity calculations, consultation/participation techniques, codes of conduct and sustainability indicators.

Above is mentioned, the principals to sustainable tourism and the sustainable tourism tools. This is important to this thesis because it gives a better understanding of the challenges rural tourism in the Faroe Islands is facing. Some of the tools are also recognized in the data as desirable solutions to the issue at hand.

Destination management

In the previous paragraphs the focus was on policy and planning the framework it provides to operate in. At this point we are moving on to discussing some of the components at the destination management level mentioned in Ritchie and Crouch (2003).

Destination marketing or management?

Tourism is an industry that evolves rapidly and the competition for tourism dollars has created a change in the role of the DMO's since destinations now play a more active role in terms of fostering the benefits of tourism development (Richie and Crouch, 2003). In connection to DMO's this transition means they are becoming Destination Management Organizations instead of Destination Marketing Organizations (Presenza et al., 2005). Richie and Crouch (2003) explain how some of the organizations see the "M" as marketing and how that is an exaggeration of their role because marketing entails more than just promotion. However, Richie and Crouch (2003) furthermore point out how some DMO's have adopted the expansion of their role to go beyond marketing and promotion. They believe this is a trend that will continue because the competition increases and also the interest in tourism's broader impacts such as the economic, sociocultural and ecological impacts also increases (Richie and Crouch, 2003).

Getz et al. (1998) also acknowledge how DMO's predominant activity is marketing and sales and how other management functions such as planning and development are ignored. In their research on Canadian Visitation Bureaux they found out how there consequently exists a planning/policy gap between marketing and development in destinations. This gap is modeled in the figure below.

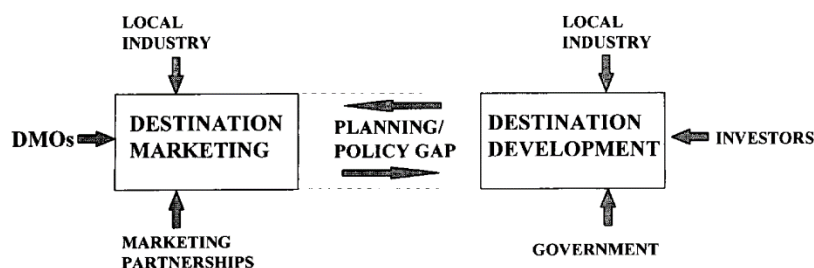


Figure 1 The Marketing-planning-development gap in destination management.

Source: Getz et al. (1998:339)

The figure shows the main inputs to the marketing side and also the development side. Even though conceptually it looks easy to link these players and functions together in order for broad destination planning, however this is not the case in practice according to Getz et al. (1998). Furthermore, they

state the reason as to why domain level¹ planning does not work in practice is because there does not seem to be an organization with this purpose. Even though their research is on Canadian DMO's the elements can be transferred into the context of the Faroe Islands.

In their conclusion they suggest several interesting and important policy questions. Parts of these questions will be answered in the analysis. Besides, this would also be interesting to discuss further in a different project. Because the complexities of the DMO's, the roles and structure is a case in itself. This thesis has just scratched the surface in this regard.

- What can be done to close the marketing planning gap in destinations? Whose responsibility is it to plan the destination, and how can both industry and public perspectives be accommodated? Research on how important tourism development decisions are actually made, and the roles of various actors such as CVBs, can contribute to this debate.
- What are the implications of the trend toward industry-led tourism planning? The tourism industry typically suffers from a lack of research on impacts and interrelationships, choosing instead to focus on short-term marketing studies, and unless there is a strong public-sector partner organizations promoting tourism tend to lack public scrutiny and accountability. Since members' interests dominate, what will industry-led plans encompass, and which interests will they favour?
- Are CVBs typical of destination marketing organizations in general? The CACVB members are certainly very important in the Canadian tourism system, as they represent all the major cities and a number of important resorts, but how do their activities relate to those of economic development agencies, chambers of commerce, provincial and national industry associations and other players? Can alliances be created or made more effective?
- A number of trends suggested by this research should be monitored and debated. Are DMOs in general retreating from policy and planning, and what are the implications? Will resource-hungry CVBs continue to take on more product development to raise revenue, and if so, would such action undermine their support from industry?

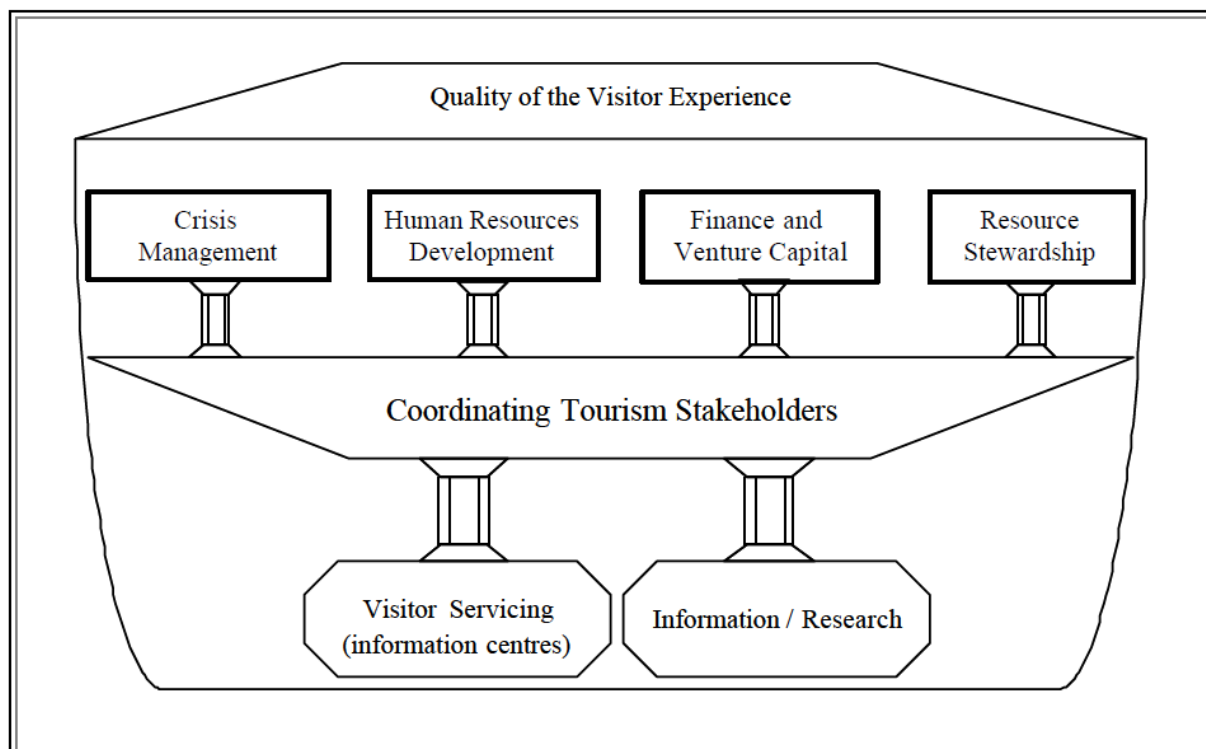
Many of these questions are similar with questions that need more research in the Faroese context. This thesis seeks to provide a discussion where the relevant issues are up for debate.

¹ The local/regional tourism "domain", a term used to describe a policy field in which collaboration among a variety of interdependent stakeholders is required (Getz et al., 1998:339)

In the article “Towards a Model of the Roles and Activities of Destination Management Organisations” Presenza et al. (2005) argue that the activities of the DMO can be organized into two functions 1) External destination marketing (EDM) and 2) internal destination development (IDD) (ibid, 2005:8). The main operational activities in the EDM are shown in the destination marketing wheel (ibid, 2005:9). This wheel includes the following activities: Direct sales, advertising, publications and brochures, events and festivals to name a few. These activities are aimed to attract visitors to the destination.

Internal Destination Development on the other hand is viewed as encompassing all other parts except marketing. Also these activities call for actions and resources from other stakeholders in the destination. In the figure below the important components of IDD are illustrated and they are “*achieved through the DMO’s critical competency of coordinating tourism stakeholders*” (Presenza et al., 2005:7).

Figure 2. The Internal Destination Development Activities (adapted from Ritchie & Crouch, 2003:63)



DMO roles and levels

Richie and Crouch (2003) state how organizational policy has received little formal attention until recently. *“In effect, the organizational capability for developing and implementing tourism policy has often been essentially left to chance”* (ibid, p.174). Getz et al. (1998) however have recognized the important role the DMO’s play and *“Without the effective leadership and coordination of a committed Convention and Visitor Bureau, a destination is ill-equipped to be either competitive or sustainable. The entity to which this responsibility falls is the DMO”* (Richie and Crouch, 2003:174)

According to one of the pioneers in destination marketing, namely Gartrell (1994), he specifies the main functions of the Convention and Visitor Bureau and how they help to *“sell the city”* (Getz et al. (1998:331):

- The **coordination** of the many constituent elements of the tourism sector (including local, political, civic, business, and visitor industry representatives), so as to achieve a single voice for tourism;
- The fulfillment of both a **leadership and advocacy** role for tourism within the local community that it services. The DMO should be a visible entity that draws attention to tourism so that residents of the destination understand the significance of the visitor industry;
- Helping to ensure the **development** of an attractive set of tourism facilities, events and programs and an image that will help position and promote the destination as one that is competitive in the experiences it offers;
- Assisting visitors through the provision of **visitor services** such as pre-visit information, and additional information upon arrival;
- Finally, the DMO also has another important role, serving as a key **liaison** to assist external organizations, such as meeting planners, tour wholesalers, and travel agents who are working to bring visitors to the destination. (Bornhorst et al., 2010:573)

However, the different nature and names of the DMO’s depends on the level and type of destination. There are essentially three levels a DMO commonly functions on:

- At the country level, the organization is normally referred to as the National Tourism Organization (NTO).

- At the state or provincial level, the organization is most commonly referred to as the State Tourism Office or the Provincial Department of Tourism
- At the city or municipal level, the organizational structure that dominates is most frequently identified as a Convention and Visitor Bureau (CVB) (Richie and Crouch, 2013:174).

Even so the levels are different the roles are generally similar on every level, the structure and funding tends to vary.

Conceptualizing stakeholder and stakeholder theory

In the article “*stakeholder theory: the state of the art*” Freeman et al (2010) present in their article how Freeman (1984) suggested managers to use stakeholder as a concept. During the course of 1980’s and 1990’s scholars and Freeman shaped the concept of stakeholder to address the following business related three connecting problems:

According to Freeman et al. (2010) scholars and practitioners have for the last 30 years been experimenting with models and concepts to provide us with an understanding of the complexities businesses today are challenged with. As a new narrative “stakeholder theory” or “stakeholder thinking” has appeared in order to understand and cure three connected business problems (ibid, 2010).

According to Gray (1985), a legitimate stakeholder is one who has the right and capacity to participate in the process; a stakeholder who is impacted by the actions of other stakeholders has a right to become involved in order to moderate those impacts, but must also have the resources and skills (capacity) in order to participate

Byrd (2007) points to Freeman’s identification of a stakeholder as: “any group or individual who can affect or is affected by” tourism development in an area” (Freeman, 1984, p.46, cited I Byrd, 2007:6)

“The first issue is that tourism development decisions are made from the top down, where “experts” make decisions. Often decisions made in this manner are perceived by the local community as not being reflective of community interests and opinions. The second issue is that the decisions making system is perceived to have competing interests within itself, and, therefore the decisions made are again not reflective of the public’s interest (Beierle & Konisky 2000, cited in Byrd, 2007:6). Participation can therefore help to solve conflicts between different stakeholder groups (Healey, 1998, cited in Byrd, 2007:7)

In Ioannides's (1995) study of Cyprus his findings were that in order for successful sustainable tourism development stakeholders must be involved in the entire process (Byrd, 2007).

Collaboration and coordination,

One of the great truisms of tourism policy and planning is the need for coordination (Hall 1994; Testoni 2001, cited in Hall, 2008). The fact that there is a lack of single authorities responsible for the development of tourism has created confusion amongst local authorities and private industry. The diverse industry structure has created difficulties in coordinating the various elements in the planning process. As Hall (2008) mentions this is a paradox, because it is this very nature of the industry that makes planning important.

This need is also recognized by Gunn (1998): *"The lack of coordination and cohesion within the highly fragmented tourism industry is a well-known problem to destination planners and managers. Gunn (1988) stated that continuous tourism planning must be integrated with all other planning for social and economic development, and could be modeled as an interactive system. Pointing out that "the "go-it-alone" policies of many tourism sectors of the past are giving away to stronger cooperation and collaborations...No one business or government establishment can operate in isolation (Gunn, 1988:272, cited in Jamal & Getz, 1995:186).*

In the literature it has been advocated that all aspects of regional tourism should be coordinated in a holistic manner (Dallen & Tosun, 2003). Gunn (1994, cited in Dallen & Tosun, 2003) claims that all regional tourism elements need to be coordinated in order to avoid conflict (page 184). This has created critique and it is emphasized on how it is impossible to include all elements at the same time. *"Finding creative solutions in a world of growing inter-dependence requires envisioning problems from perspectives outside our own. We need to re-design our problem-solving process to include the different parties that have a stake in the issue, Achieving creative and viable solutions to these problems requires new strategies for managing interdependence (Gray, 1989:xviii)" (Hall, 2008:118).*

"As described in a seminal work by Gray (1989), collaboration can be used effectively to resolve conflict or advance shared visions, where stakeholders recognize the potential advantages of working together. Here, collaboration is *"a process of joint decision making among key stakeholders of a problem domain about the future of that domain"* (Gray 1989:227, cited in Jamal and Getz, 1995:187)

The role of the state in tourism

“States are the focus of power relations that regulate most aspects of economic, political and social life (Clegg, 1989)” (Hannam and Knox, 2011:19). Furthermore, Hannam and Knox (2011) mention, in Clark and Dear (1984) the state is commonly defined *“...as sets of institution for the protection and maintenance of society”* (Hannam and Knox, 2011). This project acknowledges how state is a complex operation and how not all states are homogenous. *“Tourism has become an integral part of the apparatus of many state governments as they seek to manage, promote and regulate an industry that is widely viewed as important to the wider economy”* (Hannam and Knox, 2011:20). The fact that politicians and the state of the Faroe Islands are acknowledging tourism as a part of the Faroese economy and develop a strategy to increase government revenue. For the purpose of the discussion, it is important to have in mind that the state also has a self-interest instead of the *“individual citizen acting in the democratic interest of the public good”* (Hall and Jenkins, 2004:528). But there is a dilemma, on the one hand there is a need for less government interference and on the other hand interest groups seek out government policy development for their benefit. Hall and Jenkins (2004) describe how this issue generally has been resolved. It is *“through the restructuring of national and regional tourist organisations to (a) reduce their planning, policy and development roles and increase their marketing and promotion functions and (b) engage in a greater range of partnerships, networks and collaborative relationships with stakeholders”* (ibid, 2004:528)

Analysis

Part one: Where are we?

At this juncture it is important to unpack the codes of data collected in order to reflect on them further in connection to the chosen literature and how they are relevant to the objectives. These tools being phronetic social science and grounded theory. This chapter will not analyze all the data but demonstrate the ability to generate high-quality data (Coles, Duval & Shaw, 2013). Because, not all the data collected is relevant to the aims and objectives and this chapter will therefore start out by elucidating where we are, by focusing on figuring out the current complexities in tourism in the Faroe Islands based on the impacts in connection values.

A description of the overall tourism strategy for the Faroe Islands

To start of the analysis is a brief description of the overall tourism strategy for the Faroe Islands. In this description the focus is on the policy and the chosen planning approach, implication with this approach, followed by pointing out the chosen issues and lastly how tourism is valued.

Tourism – a difficult concept to define because of how the concept changes meaning depending on the context and purpose (Hall and Lew, 2009). In this context, in the strategy, tourism is defined as the world's fastest growing industry (appendix 1). Following this definition, the strategy's vision is:

“That tourism becomes a new core industry in the economy, developed in a sustainable way, with regards to the Faroese people, the environment and the economy. The Faroese tourism industry needs to be doubled and provide at least 1 billion in revenue in 2020” (appendix 1:8, own translation).

Evident here is how tourism is directed at capturing tourism economic worth. This echoes Dredge & Jenkins (2007) claim that this is governments most general direction.

So, if policy is about government's position on significant issues and where they direct their resources (Hall, 2008). Where is the Faroese government directing theirs? The ideas, values and interests that won the competition in the overall tourism strategy for the Faroe Islands. The goal is to create growth

in the tourism industry in the Faroe Islands and in order to achieve this goal the starting focus is on marketing.

1. **Focused marketing:** All marketing by the industry will be coordinated through one joint brand.
2. **Framing:** Creating the best possible framework for the industry. The legislation needs to be refined to create a safer framework and increased profit for the providers.
3. **Development:** Ensure sustainable development, as well as facilitate product development, investments and education within the tourist industry (appendix 1).

The government values marketing as being most important and the first step and directs all the resources in marketing's direction. This is evident in the funding because the funding is earmarked to marketing abroad (www.faroeislands.fo). Also mentioned in the strategy, how the focus needs to be on marketing instead of product development. Because in most cases the product is of such good quality and problem is the lack of tourists (appendix 1). Acknowledging the importance of getting the good stories rolling as soon as possible. In order to increase the economic growth of tourism and number of tourists (appendix 1:12).

In 2012 the overall tourism strategy for the Faroe Islands was presented and the government embraced the strategy. Guðrið Højgaard explains the process as following: *“one cannot say I came to a clean desk. There wasn't anything, no vision, no strategy, not the right employees, not the right appropriation and there was no structure in the industry, no brand and no statistics”* (appendix X, p.1). The first year was spent on getting those things in order. Used the next three months to visit the industry and together write the strategy. Guðrið Højgaard points out the importance, when talking to the political system, to have concrete facts to show them and thereby giving them the best grounds to make the decisions on. During the next six months she managed to convince the politicians to double the appropriation and convinced them about the potential in the tourism industry. This was also a conscious aim, to show everyone, both the political system, residents in the Faroe Islands and the foreign market, the potential within tourism (appendix 7).

Remembering Dredge & Jenkins (2007) explanation of how the prevailing view in policy studies in the 1940's and 50's was about how the government had the overarching knowledge about what was best for their citizens. Furthermore, Considine (1994, cited in Dredge & Jenkins, 2007:6) mentions how this government-focused definition stymie the inquiries about who wins and who loses when it comes to this competition between values and ideas.

It can be argued that the overall strategy has the government focus and not the broader policy focus because the larger question about who wins and who loses is not evident in the strategy. The tourism impacts are not discussed. One reason is the believe in that tourism is small scale and the reason why the negative impacts.

Tourism as a new core industry

Planning is a human process and is about “*identifying appropriate steps to achieve some predetermined goals*” according to Dredge and Jenkins (2007:8). This section deals with the planning approach chosen in order to achieve the goal where Faroese tourism becomes a new core industry.

Hall (2008) mentions five approaches to public tourism planning and the approach taken by Visit Faroe Islands in the strategy takes after the economic approach. As mentioned, this approach sees tourism is a tool to achieve certain goals with economic growth. This is evident in the strategy and the primary focus is to point out how the Faroese tourism industry can function as a tool for governments to achieve economic growth. Furthermore, pointing out how tourism growth will provide added government revenues. The strategy hereby mentions tourism’s value as an export strategy and the focus is on the economic impact of tourism as Hall (2008) mentions. Thereby strengthen and diversify the Faroese economy. Also how the tourism industry is interesting and suitable to create improvement and the well-being of citizens and to kindle the interest of residents abroad to return home. Recognizing the current challenges, the Faroe Islands are facing and therefore using tourism as a tool to fight these challenging issues. For a long period, the talk has been about how the Faroese economy needs another leg to stand on because of the fluctuations in the fishing industry (Lindenskov, 2014). In the strategy benefits of developing tourism are brought forth as being:

- Economic growth
- Creating jobs in the private business for both skilled and unskilled workers
- Creating job throughout the country, also in the outskirts
- Greater taxable incomes
- Tourism cannot be moved to countries with reduced rates, as supposed to the fishing industry
- Reduces youth unemployment and unemployment amongst newcomers
- Greater financial advantages for transportation carriers brings all Faroese people greater travel opportunities

- Stronger identity and hopes for the future hereby increase interest in creation throughout the country
- Broader supply of culture, outdoor spots, experiences, sports, shopping and restaurants increases the well-being and quality of life for the Faroese people (appendix 1:6)

Through the main focus on marketing the strategy tends to also have elements of boosterism. This might be remains from when the tourism industry and the effects were relatively small or maybe they still are small. The government thinks the effects are small but not the locals (see appendix X, a segment in the local news). Locals value the effects as very important and need attention. In the segment the challenges the periphery is facing are: they need help getting ready for tourism. They are interested in the tourism industry, but need tools, need funding. No help provided and are not asked if they want tourism. Also there is a desire that tourism is planned better.

How is tourism impacting the Faroe Islands and rural areas?

According to scholars (Mason, 2003 and Hall, 2008) tourism carries social, environmental, economic and political impacts. The following paragraphs will demonstrate how tourism is impacting the Faroes. This section is divided into the different fields of impacts. However, it demonstrates how they relate to one another and how one does not exclude the other. The headlines are made up from themes and concepts found in the empirical data collection (appendix 3) because these impacts are evident in the destination area (Mason, 2003). This section acknowledges and shows how tourism impacts both ways. Identifying the negative and positive impacts and how one impact can be both at the same time and how it is dependent on the perspective.

The economic impact

In the articles found on the topic of tourism in the Faroe Islands also tell a story about how tourism has grown (appendix 3).

How Visit Faroe Islands focus is on branding and campaigns is apparent. First there was the “Un-spoilt”, “un-explored”, “un-believable” branding movie to promote the common brand for the industry. Second the winter film to attract foreign visitors during the slow winter season. This movie was also appointed world’s best tourism film 2015. Most recently is the campaign called cheep view. This campaign was well received. The cost was 2 million DKK and the estimated PR-value is 200 million DKK. And really put the Faroe Islands on the map (appendix 3). Atlantic Airways and the

other transportation carriers also tell a story about how there has been a growth in the number of tourists. A progress is also detected in the overnight stays and in tourism turnover (Appendix 7). The plan is holding up and are actually a head of the plan.

According to the government official site; *“Today, only three years into their 8-year-long plan, following an immense effort to improve offers, activities and conditions in general at home, while simultaneously having run major branding and marketing campaigns abroad, the results are already evident. Growth has been consistent, and from the first half of 2014 to the same time in 2015 alone, overnight stays increased by 16%... By extension, revenue has also increased as well as new hotels are popping up while older ones are renovating and expanding.”* (www.faroeislands.fo).

The social impact

All of the interviewees agree that the re-establishment of the Faroese Tourism Board has lifted the Faroese tourism industry. Olga Biskopstø says; *“The reason for this is simply because, they (red. VFI) were able to step forward and say; “we have a tourism industry and it is possible”. They (red. VFI) were able to convince people that a tourism industry is possible”* (Appendix 9). Furthermore, locals did not believe in tourism as an income opportunity: *“During the summer, locals are busy with maintenance and do not for the most part have the energy for tourism activities. Now some of them have started to offer something easy as a cup of tea or a trip that they can combine with the sheep keeping. When this works for one local others will follow. Now more and more are offering a cup of tea and some are even offering B&B* (Appendix 9)”.

Sunda municipality also mentions how the re-establishment got them interested in the tourism industry. *“...actually since Guðrið Højgaard came has amplified the municipalities interest in tourism, because she is not just anybody. She has worked abroad and is skilled and dares to state this is how we do”* (Appendix 6).

According to the Outer Island Association,

“tourism in the peripheries is starting up and gives the rural regions inspiration and incentive to improve themselves more and more. Making the community more interesting. Nobody wants to live here in the end. This is the biggest challenge right now. The fact that tourists take greater interest in the Faroe Islands, and therefore the outer Islands does something to us mentally. People on the outer Islands see “oh, people are starting to take interest in us then we must start to be more interesting”. (Appendix 9)

Sunda Municipality also recognizes the challenge where locals do not have the confidence to start up tourism initiatives. According to Guðrið, this was also a conscious aim, to show everyone, both the political system, residents in the Faroe Islands and the foreign market, the potential within tourism.

Tourism in the Faroe Islands is valued as not sustainable (Ferðavinnan er ikki burðardygg. (2016, August 05). In the interview segment Súsanna Laursen points out, how there needs to be put attention to the nature, small villages and outer islands. How tourism needs to be planned with regards to the local community. Presenting how the problem is that emphasis now is on branding, satisfied guests, reports, measuring results, creating jobs and well-being in the outskirts (Hansen & Godtfred, 2016, August).

Gásadalur is also a village that attracts a lot of visitors and they all come to see the waterfall. The locals are also giving notice (Gásadalsfólk harmast um ferðafólkavøkstur, 2016, August 14). In the radio segment, Ann Dam Árnastein a resident in Gásadal,



explains how *“locals are distressed by how they have to adjust to the tourists and not the other way around. The tourists affect their everyday life. When the tourists arrive it is a disturbance and the dogs must be kept indoors. Right now it creates a commotion and disturbance”* (Gásadalsfólk harmast um ferðafólkavøkstur, 2016, August 14).

Government believes it is up to the municipalities to develop tourism and that the government is made out to be the scapegoat. The government wants local initiatives. But the rural areas have different conditions for entering the tourism industry. They are not being prepared for tourism. There is a lack of coordination with the central area. Also there is a need for planning the tourism flows better and it needs to be anchored in the local community (DV kjak: Ferðavinnan trýstir náttúruna. 2016, August 23).

Improvement to the infrastructure

On the word of Olga Biskopstø, transportation has always been an issue for the outer Islands. Transportation has become a bottleneck, because passengers have to be able to get to and from the Islands. There are few departures and maybe early arrival and late leave. This creates a challenge for the locals: *“If the Islands only have a cup of tea or coffee to offer and one tour the tourists are then just wandering around on the Island and waiting to get back home. This has been a challenge for the*

locals. The locals feel awkward seeing them wondering about and are embarrassed and feel obligated to invite them in. However, the positive note from this is it has forced the locals to take action. The tourists are already there so why not” (Appendix 9).

Olga Biskopstø points to another thing, namely, how the increase in tourism and in the number of tourists for the past 3 years has created another problem: *“The boats are always full! We (red. the outer island's association) can use this to put pressure on the authorities to improve the circumstances” (Appendix 9).* Furthermore: *“Then there are the tourists arriving with other boats, organized from Tórshavn or some of the other Islands with speedboats. They arrive with the passengers and let them go ashore. Bringing their own packed lunch, they walk around the Island and then leave again. These passengers are not registered because they are not travelling with public transportation. Meaning, they cannot be used when putting forward the need to increase the number of boat trips. Nevertheless, in Fugloy and Svínø it was possible to influence SSL with more departures. This is a battle for better and more frequent trips all year around where tourism can help” (Appendix 9).*

The negative impact of how the boats are full can in this case be used to create a positive outcome, as a trade-off. The same applies to the helicopter. The helicopter is supposed to service the locals on the outer islands. However, during the summer tourists occupy the seats leaving no availability for the locals. This creates a conflict between locals running tourism activities and settlement says, Olga Biskopstø. Furthermore, package deals are sold by incoming bureaus with a trip to the outer islands by helicopter, boat or a combination of the two. The outer island's association had to go in and ban round trips. Given that, Greengate could go in and book seats 6 month or a year in advance making the helicopter fully booked leaving no room for the daily local use.

“The outer island's association is in dialogue with AA about inserting scheduled flights routs for tourists as well. Benefitting both tourists and locals. The positive aspect is that is possible to plan tourism in the outer islands. People are committed, they make money from tourism and indirectly the increase in tourism can better mass transit” (Appendix 9).

Recently, the news told the story of an agreement made between Atlantic Airways and Visit Tórshavn about helicopter flights for tourists, a pilot project until ultimo 2017 (Láadal, L., 2016, November 14). In the article Theresa Turiðardóttir Kreutzman, CEO of Visit Tórshavn says: *“ – For a long time it has been a desire to get such an offer to tourists in Tórshavn, and we know, that many want to see the Faroe islands from the air. This is a part of the strenuous work to get tourists to leave more money*

in the Faroe Islands". Jóhanna á Bergi, CEO of Atlantic Airways says: "...this agreement will give the Faroese tourists a different opportunity to experience our beautiful country and is also a part of the work to market the Faroe Islands" (Láadal, L., 2016, November 14).

Because of better transportation or more frequent departures the tourists pattern has changed, says Olga Biskopstø. 3-4 day trips have turned into 1 day trips. Furthermore, she explains how she in this context has been talking to *Katrina and Esbern who are running a restaurant in Mykines*. "They need as many visitors as possible. This last period of time things have changed, from visitors staying 3-4 days to one day trips. This "one-day" tourism is not beneficial for them or Mykines. Because the visitors do not need to buy anything from them and they cannot provide them any services. This "one-day" tourism is destroying the tourism industry" (Appendix 9).

Tourism and the Environment

In the article "Tourism can destroy the nature" (own translation) Lassen, B. (2016, May 30) explains how tourism has grown the last two years and how employees in the tourism industry are delighted by the progress. Nature enthusiasts on the other hand are concerned about how the growing tourism industry can scare the birdlife and put a strain on the land. Nature-enthusiasts and experts point out, how: "The nature is the most important brand, when we sell ourselves to the world around us. But we have to be careful to not attract too many tourists to the Faroe Islands, because our nature is small and sensitive". Furthermore, these nature enthusiasts and experts call for restrictions. They do not believe tourists should be able to wander freely around in the nature, however special tracks should be made. They believe this is a good way to keep track of the tourism impacts (Lassen, B., 2016, May 30). This article points to a radio broadcast where the dangers of tourism were discussed, and another danger is that visitors take kilos of crystalline stone (in most basalt layers in the Faroes large transparent or white crystalline stones can be found), *parmelia* (*parmelia* off a rock) and bird eggs with them home. However, so far this has not set visible marks but they worry about the future impacts.

Olga Biskopstø, also mentions how they have made the same observations in the Outer Islands Associations: "The biggest challenge, and this is an enormous challenge, is that everything is being tread down" (Appendix 9). Furthermore, "Another observation made is that tourists also pick up flowers and plants. This should not be allowed. Need stricter rules about visitors not being able to bring back plants, herbs, orchids. This applies not only to foreign tourists but also Faroese tourists. Faroese tourists come and pick *spleenwood* and *michelaneus* to take home" (Appendix 9).

The impact of “un-planned” tourism

The fact that tourism is unplanned impacts the nature. Creates a problem of people walking where they want. The Island of Mykines is always mentioned as an example and in Mykines the conditions are unplanned, according to Olga Biskopsstø (Appendix 9). The island receives 8000 thousand visitors every year and the tourists walk straight through land inhabited by puffins. This has led to the municipality putting a stop to it and next summer it not possible to go out to Mykines without a guide and paying a fee. From personal experience I tend to go where the least tourists are and if I saw 1000 tourists in Mykines, this would deffinetly be the case. However, this is also the case for the tourists visiting Mykines. If they see a group of tourists, then they go in another direction. This creates a problem where tourists are scattered around the whole Island. This is the biggest challenge right now in Mykines and Mykines is also the only place experiencing this. However, in the outer islands Fugloy, Skúvoy and Svínoy this is also starting to take form because of the good ferry connections. These are the effects of the randomly unplanned “one-day” tourism (Appendix 9).

This can be discussed in connection to the brand of “un-spoilt, un-explored, un-believable”. When promoting the land as unexplored sets the stage for the tourist to explore the Islands on its own. Entailing walking where he wants or at least that’s what the rural areas are experiencing. A complexity between these two.

Also mentioned how the sailing near land disturbs the birdlife. Even though, the industry (NAX) does not agree and say they are taking the necessary caution. Knowing it may harm the tourism industry the Environment Agency will stop sailing where birds are. This is valued as a contradiction to the “un-spoilt” brand the destroying of bird stock. Saying it is a paradox. (See appendix 3)

Discussing the DMO’s values vs. local values

Following Helgesson and Muniesa (2013) point of how valuation is performed everywhere. The development of the tourism field in the Faroe Islands has also been valued in the analysis so far and this discussion will sum up the valuation process. It can be argued that there are two different voices present and the voices also assess the creditworthiness and performance of the process differently. Visit Faroe Islands, the managerial voice evaluates the process as being successful, because of the return of investment. The locals, the critical voice, in turn are concerned about the social, cultural and environmental impacts.

The managerial voice

The DMO's approach to tourism is valued in the above mentioned paragraph is consistent to the managerial approach mentioned in Dredge et.al (2015). Tourism is seen as a technical matter where focus is on valuing the economic benefits. This is done by measuring overnight stays, occupancy rates and expenditure. In the overall strategy tourism is valued as the world's fastest growing industry. The countries around the Faroe Islands have experienced growth and where tourism is one of the most important pillars of the economy. The Faroe Islands have great potential as a tourism destination. For the choosy tourist the Faroe Islands are a special experience not found anywhere else. Winning 1 place in the national geographic as the "most appealing destination". A primary focus in the overall tourism strategy presented by Visit Faroe Islands is to point out how the Faroese tourism industry can function as a tool for governments to achieve economic growth. Because the strategy points out the results of growth in the tourism industry in the Faroe Islands. It points out how tourism growth will provide added government revenues. Thereby strengthen and diversify the Faroese economy. Also how the tourism industry is interesting and suitable to create improvement in the well-being of citizens and to kindle the interest of residents abroad to return home. Recognizing the current challenges, the Faroe Islands are facing and therefore using tourism as a tool to fight these challenging issues.

The critical voice

The locals also recognize the economic value in tourism, however as mentioned earlier they also believe tourism to encompass the social, cultural and environmental impacts. With the economic planning approach set in motion by Visit Faroe Islands the economic goals are prioritized before the social and ecological questions. Limited attention is to the negative impacts. This method might not be the appropriate strategy in terms of regional competitiveness (Hall, 2008:56).

Following The Outer Islands Association, Visit Tórshavn and Sunda municipality they value the marketing effort and are impressed by the work. However, they value the third part of the strategy to be equally important. They do not believe this is the right way to go and the focus should at least be 50/50. Because if the focus is not inwards then what is there to offer tourists visiting the Islands (Appendix, 9,5,4).

Theresa Kreutzman believes there is a total clash between these two: *"I fully understand what has been done and I believe the thought was...ok! Let's focus on marketing and attract visitors and then the rest will come also. But that does not work"* (appendix 5, line:66-68).

According to Olga Biskopstø, she does not believe the development so far is good enough, and says: *“We have only focused on getting these people to The Faroe Islands the rest is up the people in the peripheries to figure out the rest themselves”* (Kjak KVF).

What are the complexities with “boosterism”? The notion of how tourism is fundamentally good and automatically benefits the host creates different sets of values when the locals point of view tourism might not be fundamentally good and automatically benefitting. It takes a whole lot of effort and the different viewpoints do not always agree. Residents and those who are opposed tourism or oppose the process are viewed as negative. And how not making sure that the levels of demand are appropriate to the resources and carrying capacity of the region (Hall, 2008). More on this later.

Chapter conclusion

To explain where we are, the starting point is in the strategy. On the one hand there is the Government and Visit Faroe island and the overall tourism strategy. The vision is to create growth in the tourism industry in the Faroe Islands and choose to focus on the following 3 points in order to achieve the goal. **Focused marketing:** All marketing by the industry will be coordinated through one joint brand. **Framing:** Creating the best possible framework for the industry. The legislation needs to be refined to create a safer framework and increased profit for the providers. **Development:** Ensure sustainable development, as well as facilitate product development, investments and education within the tourist industry. (appendix, VFI and government)

The planning process is focused on tourism as an industry and creating economic growth. And the Government wishes to have another leg to stand on because of the flux in the Faroese economy. When looking further into how tourism impacts the Faroe Islands and the rural areas the findings are:

Tourism has a positive impact on all aspects except the environment. The analysis described the development with focus on how it is valued. Finding out that there are two different voices. The managerial voice and the critical voice. It is evident that there is a need for a broader discussion on tourism. Not only on the economic impacts but also the social, environment and political impacts

Part two: Who gains and who loses?

This section will give in-depth knowledge about the village of Gjógv. How the decisions regarding the development of the village as a tourism destination brings affects differently and shows the different perspectives and are discussed in connection to value and power.

Introducing the case study

Remembering the literature and how tourism often is proposed as a development strategy for rural regions. This is also the case for Gjógv. The municipality, Eirik Suni Danielsen and the locals mention how it is acknowledged how the village will not survive as a normal village and therefore tourism a strategy for survival (Appendix 4, 8, 10).

On the Island of Eysturoy lies the community of Gjógv. A small village where about 30 people reside (hagstovan.fo). As Andersson and Clausen (2016) argue the global mobilities challenge the traditional conceptualizations of the community. Global mobilities have also reached the village of Gjógv and the community in the traditional sense has changed. The Faroe Islands have become smaller with the tunnels that connect the majority of Islands (Hovgaard and Kristianssen, 2008). As before mentioned in regards to rethinking the placements of the “tourism offices” the time has also come to rethink community. Even though the community can be viewed as a certain geographic area this thesis sees community beyond the community marks. The demographics in Gjógv have changed these past years and there has been a decline in the population. In 2013 the average age was 63 and no young people between the ages of 18-24. The last child was born in 1998 and there are only 2 children between the ages of 07-17 (Appendix 10). The people of the Faroe Islands have also become more mobile, they move from the small villages to either the capital or any other city. However, people who move from Gjógv still have strong ties and a strong sense of belonging. The reason for this is explained by Eirik Suni Danielsen: *“There are so many descendants, because not long ago a lot of people lived here. In 1930 there lived 280 people in Gjógv and now only 10% of them live here. That means, a lot of them have an attachment to Gjógv in one way or another”* (Appendix 8, line:176-178).

The descendants’ attachment and love for Gjógv is visible in different ways. Also here Eirik Suni Danielsen gives insight to their contribution: *“This village has a fantastic web-page called www.bygdin.fo and everything is posted there. Pictures all the time. The person managing the page does not even live here but takes good care of it. Every time something happens he takes pictures and*

posts. And everything, every rock around us is on the internet” (Appendix 8). Additionally, they have also formed the interest group called “Gjómaður”: “...members of this interest group are they who do not live here but elsewhere in the Faroes they have their group and are fond of the village. And do things also. When cleaning days are there are always 60 people, however only 25 people live here. Also when there is a funeral, 300 people show up, that’s normal” (Appendix 8)

According to Olga Biskopstø a common problem for all rural areas in the Faroe Islands is - the conflict between local residents and those who have moved away but have a connection to the village (Appendix 9). The conflict arises when the local residents who live in the village all year want different things for the village when it comes to tourism. As an example Olga Biskopstø mentions the lights in the gorge and how locals think it disturbs the “natural environment”. Furthermore, she also mentions how the organization “Gjómaður” does a lot for the village. The members of the group have resources and education and they also put the lights up in the gorge and then gave them to the municipality (Appendix 9; sunda.fo).

The discussion of power

The locals express a loss of power in connection to the organization Gjómaður “*When the organization puts things in motion the residents can only say thanks. They therefore feel left out in the process. They are not being asked when things happen. Fear they are being set aside and not knowing what the impacts are on the environment, sociocultural or well-being*” (Appendix 9).

The flow of tourists flows down to the village and into the local’s everyday-life. During the summer the number of tourists can come up to 4000 in one day. The tourists fill up the area around the river and prohibit the children from playing. There is no control and in the morning you do not know how many tourists will arrive. The locals want to do something about it. But they cannot forbid the tourists to come (Appendix 9).

Yet again the problem is coordination and loss of power. The locals want to control tourism locally. From the local’s point of view, the municipality only caters to the tourists and the tourism industry and does nothing for the locals. Makes a new road, camping area, summer houses but all for the tourist and nobody asks the locals. The locals do not have an economic benefit from tourism and they do not have the resources to cater to that many people. Busses are instated in the summer period to drive to Gjógv every hour. But in the winter time there is not bus connection. The locals are left with the “shit” there is nothing for the locals but the tourists love it there (Appendix 9).

Another thing the locals are discontent with is that everything is centered around Gjáargarð. The municipality only services the hotel. Makes a new road to the hotel and destroys the environment around the river (Appendix 9).

Regarding the summer houses, the locals were sceptic in the beginning but now they have changed their minds. The houses bring life to the village and the visitors come to church on Sundays and so on. But still there is a gorge between the locals on one side and tourism on the other (Appendix 9).

How can tourism benefit Gjógv?

As mentioned previously the residents have realized how the village will die out if nothing is done therefore tourism is seen as an income opportunity and tourism can be a way to survive. This section looks back at the benefits presented in the first part of the analysis, the benefits from increased tourism according to the overall tourism Strategy for the Faroe Islands. This section does not discuss them all, however only the ones relevant in connection to Gjógv.

Economic growth

Economic growth is the first benefit discussed. Locals believe tourism can create income. However, they now need products to sell. In 2013 when working on the Nordregio program (appendix 10) the idea that got the most votes was “all the outfields collaborate and offer tours with guide”. In the interview Eirik Suni Danielsen also mentions this collaboration: *“We are now talking about planning it better. Thus we are working on a map that people can buy and in that way also support the local community. We make the map and pay the outfields a fee and they buy the map from us. This way something stays in the community and one can point them (the tourists) in the direction we want”* (Appendix X). In a television segment in the local news from August 2016 Eirik Suni Danielsen explains how they have tried to plan tourism and have now made a map of the trip to Ambadal (kvf.fo).

When I asked Eirik Suna Danielsen if any of the money ends up in the local community he says: *“except the money from the maps than we can try to get a local guide and that’s it”* (Appendix 8).

The trouble is there are so few people and therefore somebody from the outside needs to come in. However, Gjáargarður buys quite of the meat used in the hotel’s restaurant from the farmers in Gjógv. That way something goes back to the community.

Nobody pays for anything!

One issue not discussed is how when using the facilities in the rural areas nobody pays for anything.

The government says the regions are responsible for developing the area in regards to tourism. This development can come in the form of for example signs, roads, toilets and other facilities. However, to produce these facilities costs money. According to Sunda Municipality there is one aspect of this that never has been discussed:

“we offer also facilities to MBtours and Greengate and we have told them that we want payment for the services. Only to cover the costs of maintenance. But they said ... “åååhhh! we have already told them what it costs”. The next summer nobody mentioned this issue. It is maybe our job to go into negotiation with companies or maybe the information office should. And they can say, “they are awfully petty”, want money for having the toilets open. But this is not up for discussion. A municipality that is so popular when tours are planned. Especially bus tours choose locations in this area” (Appendix 4, Line:79-86).

So how come everybody can use the facilities in the area but no one is willing to pay for it? This discussion is an important one according to Sunda Municipality. The incoming operators are not keen on getting more fees on to the price of the tour. But isn't it equally important to support local tourism and encourage them to grow further and not exploit the area. This way of thinking does not foster.

When mentioning the economic benefit from tourism Sunda Municipality says:

“The Faroe Islands are branded with the mountains and the weather. But when you reach the location there is really nothing there. And you get disappointed. Backpackers do not leave any money in the area. You heard about that man in Kunoy, he lived a whole week in the mountains on only rice, but we spent several 100.000 thousand kr. to arrange a rescue operation for him. Those people (backpackers) bring everything themselves, buy a bottle of water max. Thus are the Faroese and campers left. However, there is no doubt there is a future in Faroese tourism. But all incoming agencies are located in Tórshavn. They say,..ok the trip costs 700 kr, the guide, also from Tórshavn gets a little bit, then they use our area but nothing is left in the local community”(Appendix 4, line: 106-112).

Olga Biskopstø also mentions this issue:

“As of now nobody pays for anything. They only tread the nature. It is a win-win situation for tourism locally to make restrictions in the number of tourists. It is not a gain for Tórshavn and others if there are restrictions or tourism in the main area. Everything ends up in Tórshavn. I believe it is anti-competitive for the local tourism that mass tourism has freely to go to the outer islands without paying anything” (Appendix 9, line:128-132).

This issue can be discussed in two different ways. Which side is not doing their job well enough? Is it the regions who are not straight-forward enough and demanding what they need clearly? Or is it the other side who needs to coordinate their work together with the rural areas.

Job creation and stronger identity and hopes for the future

When it comes to jobs in Gjógv there is a concrete factory and a sea farming factory. According to Eirik Suni Danielsen about 3 to 5 people work in each factory, some of them live in Gjógv and the others drive to and from the area (appendix X). Locals in a working age work outside the village and the jobs in Gjógv demands outside knowledge. The hotel, Gjáargarður, Eirik Suni Danielsen runs on 5 people who work the whole year and during the summer he needs a staff of 15. The difference between the summer and winter half becomes a challenge and also always training new staff every year. Eirik Suni Danielsen would love to only hire local people, however this is not possible at the time being: *“It could be interesting for us to employ more local people. But they do not exist here. When there are only 25 or 22 people and from there only 8 under the age of 60. Then there is little to go on”* (Appendix 8). The location also becomes an obstacle because Gjógv is placed too far away from the many people who want to work in the service industry. The service industry also demands a large pool of staff who work all the opening hours: *“...demands you have people working 7 days a week and at least 20 hours a day. At least from 7 in the morning to 22-23 at night...The opening hours are long and demands double the workforce compared to a regular job, a store or a contractor”* (appendix 8).

In Zao et al. (2011) policy prescriptions provide little or no guidance when it comes to creating new enterprises. This is also in short supply in the Faroes according to Olga Biskopstø. The rural areas have other preconditions when it comes to job creation. They have the desire and want to be a part of tourism however they do not have the tools. Olga Biskopstø mentions this in a TV-debate (kvf.fo).

As mentioned in part one of the analysis the development of tourism has impacted the locals' belief in tourism. How they now are starting up businesses. However, according to Sunda Municipality:

“It was rooted in how few believed in tourism. When you talk about tourism you picture something small and where no money is involved. Tourism does not happen without you creating the possibilities” (Appendix 4). Furthermore:” I think it mounts to that people lack knowledge about tourism and connect it to the usual procedure of going to work and earning money right away. This is a matter of attitude, you have an idea and make a plan. You cannot do everything at once. People have trouble grasping that they are a tiny part of the long chain. Many focus on owning everything, from the beginning to the end. Instead of snatching what flows by. How can I be a small part of the big picture? I believe few think in these lines (Appendix 4, lines:228-235). There seems to be a misunderstanding of the demand. Following Backman et.al.’s (2005) explanation on how important tourism entrepreneurs are for the development of rural areas. The creation of jobs is not there yet because of the attitude. A lack of confidence in tourism as an income opportunity, tourism is rather valued as an expense (Appendix 4).

Chapter conclusion

The question about who gains and who loses is not present in the Faroe Islands.

The first chapter of the analysis brought fourth how Visit Faroe Islands value of tourism lies in the number of tourists and economic gain. However, this chapter has brought fourth how the rural areas and Gjógv value the social and environmental value higher. The well-being and preserving the communities natural state has higher value.

The rural areas seek restrictions, guidelines, better planning and more information and in the end more collaboration.

One complexity mentioned in this chapter is how the rural areas want restriction to the number of tourists. There is a need to figure out the carrying capacity, because the rural areas believe, the economic benefits have been reached when the hotel, summerhouses and camping area is full. The restrictions are a win-win for the local areas but a loss for tourism in the main area.

Another complexity is how the government says the regions are not good enough to collect their share of the economic income. This issue can be turned in the direction of the main area and asking if maybe they are not good at their job to coordinate their work together with the rural areas.

The case study showed: an imbalance in power. Both at the local level and the municipality level. Locals feel not involved in the tourism development taking place in the community they are a part of and affected by. Catering to the tourists and not the locals. Also at the municipality level there seems

to be a loss of power. In this case the decisions are made in the capital and not in collaboration with the area. The money goes to the incoming bureaus in the capital as well. The municipality provides the services but do not get paid when they are used. No control of the tourist flows.

Part three: Is this development desirable? What, if anything, should we do about it?

An interesting observation is how the roles of DMO's or CVB's was not mentioned in the any of the articles I went through in the coding process. That is interesting because they seem to play a vital role in the development/coordination process. This seems to be where one of the major "problem" lies so why is it not discussed?

However, Tourist information offices are one of the challenges all the interviewees point out. The challenges are numerous, first the location, second the funding, third the structure and fourth their knowledge/ability to do their job.

Levels and funding of DMO's

According to Richie and Crouch (2013) DMO's function on three levels. Passing these levels on to the Faroe Islands there is the National Tourism Board called Visit Faroe Islands. At the state level there is Visit Tórshavn. Lastly is the municipal level, Richie and Crouch (2013) mention how they mostly are identified as Convention and Visitor Bureau (CVB). In the Faroe Islands they are called "kunningarstovur" and can be translated into "information centres". Furthermore, they mention how the roles are generally similar on every level but the structure and funding tends to vary (ibid, 2013) more on this in the following paragraphs.

Looking into Visit Faroe Islands annual report of 2015 (see appendix 11) the funding to Visit Faroe Island for 2015 was 13,4 million kr., and distributed as followed:

- 9,4 million kr. to global marketing.
- 4,0 million kr. to administration/operations/wages.

This shows that 70 % of the funding was used directly on global marketing and this is more than they calculated with in the plan, which was 2/3 of the funding.

Furthermore, Visit Faroe Island administers the funds fixed by law.

- 1,5 million kr. to regional organisations/ information centre.
- 0,5 million kr. to NATA who is a collaboration between Island, Greenland and Faroese.
- 0,5 million kr. to kr. by kr. funding.

The Role

Theresa Kreutzman from Visit Tórshavn mentions how the Faroese landscape has changed over time.

“Before the tunnels, there were information offices everywhere. There are six regions and several of them have two tourist information offices (Appendix 5).

Olga Biskopstø, mentions two reports she made about the tourist information centres and their role (appendix 9). Then, the critique was they were too navel-centered and the role has not changed much since, she adds (Appendix 9). *“They were not able to activate the tourism industry and still today, they are not able to do so. There is something wrong with the structure and something ought to be done. The local body is missing”* (Appendix 9). This leads to Getz et.al’s (1998) recognition about the important roles the DMO’s play. Because without the DMO’s effective leadership and coordination the destination becomes ill-equipped to be either sustainable or competitive.

Furthermore, Olga Biskopstø points out how the information office in Klaksvík is not able to include the surrounding villages. *“There is too much dispute. They are competing with the local tourism industry. She believes this is a major error. In Mykines they are disappointed with the fact that the tourist information office sends tourists out there with a packed lunch instead the tourist office should convey them to those in the local areas. The communication between the tourist offices and locals with tourism activities is not good enough”* (Appendix 9).

Sunda municipality recognizes this challenge and also thinks there is a local body missing between VFI and the tourism offices. That is where the chain jumps off and their challenge lies. There needs to be cohesion between what VFI promotes and local actors and the regions involved. This fundamental issue needs to be in place Appendix 6).

Sunda Municipality also recognizes the competition within the industry; everybody is competing against each other.

Sunda Municipality is a part of the tourist office in Runavík. The villages in Eysturoy are part of this tourism office but the rest of the villages in the municipality are not part of anything. Sunda municipality then has to make the decision if they still want to be a part of this. As they mention there is not much function. They pay 50.000 DKK a year but do not get enough out of it. The money could be spent better in some other way. This is an area that the municipality thinks should be changed. Also that this development should be a joint effort.

Confusing roles and who owns the ball?

Sunda municipality explains how FVI told them that their job is to get the tourist to come to the Faroe Islands and then it is all on you, you need to figure out how you do. The question becomes then, how do we do that? Sunda municipality does not believe that is the way to go and explains: *“Some municipalities have chosen to have tourist centers and say the problem is theirs. The tourist centres then say this is not our job the locals need to present ideas to us. The issue then lies with the residents. Resulting in nobody wanting to own the problem or the possibility. Nobody takes the baton, it is only pointed somewhere else. That is a sad course instead of moving forward everybody stands waiting for somebody else to take action”* (Appendix 6). A fitting description of what actually happens in praxis.

Who should start? Is it the municipality or a local resident? Sunda Municipality wants to be a part of the tourism development in the Faroe Islands. Maybe because it is more enjoyable to be a part of it rather than standing outside. Because of the areas location approximately 35.000 visitors visit Gjógv. The municipality feels an obligation to present oneself as a municipality with ambitions within tourism. The challenge is to figure out what their tasks are, as a municipality what can they do. In 2014 Sunda municipality spent 2- 3% of the budget on tourism. For the past three years, Sunda municipality has focused on the business activities and tourism. We are not asked and the information we have is something we have gathered by ourselves. We can coordinate so that everything is running smoothly. Then again this would feel like they were moving in on an area belonging to the tourist offices.

VFI believes the roles are clear in terms of where the responsibility lies. It is the regions who have the responsibility and whether they are capable of lifting the responsibility is the problem. It is not

the responsibility of the national tourism board to put up signs. There have not been capable staff on all of the tourist offices. In some regions, it works well and some regions not so well. That is where a big part of the problem lies.

Faroese DMO functions

Remembering Presenza et al.'s (2005) argument of how DMO's have two functions, EMD and IDD. According to Theresa Kreutzman, Visit Tórshavn became a DMO without knowing or willing. *"A DMO is someone who develops and put in motion. This is what we do now, without being asked and without additional funding. Both a DMO, information center and commercial focus on renting apartments, a confusing role but I think we have embraced the role gradually* (Appendix 5, p.116-120). Therese Kreutzman is not satisfies with the way things have changed.

"Before it was VFI, and then they had legs out to manage regional development, marketing, courses, brochures and all the social aspects. Suddenly they have stopped with these activities and are concentrated around marketing and the other issues are hanging up in the air. The municipalities have not been asked about their opinion to take over these activities. One can't do this! This is not done with a bad intention. At that point it was believed to be the right thing to do" (Appendix 5, lines: 68-73). Furthermore, Theresa Kreutzman explains how this creates a problem when the municipalities are not informed they are not aware of the extra costs. Visit Tórshavn has 1,5 mió to spend on the other activities VFI has left up in the air whereas VFI has 14 mió to use solely on marketing (Appendix 5). Visit Tórshavn's main role is to coordinate "Christmas in the town centre", "environmental week" and "Harbour day in Tórshavn" and according to Theresa Kreutzman says, *"You can't imagine what we do for money. Feel like a prostitute sometimes in order to finance the activities VFI has let got"* (Appendix , line 78-79).

Guðrið Højgaard believes the problem lies out in the regions: *"they are not able to coordinate the region. We try to help them on the way, but I know not all of the information offices are not equally competent. Some of them are equivalent with the person working there and if they have a drive or not. However, the responsibility is still in the regions. We are working on defining a tourism policy in the second half of 2016. Here we will look at our role as the highest body and what should the roles of the local regions be"* (Appendix 7).

In the case of tourism offices not being good at their jobs Visit Tórshavn points out, that they were not asked to take on these extra tasks. They are hired to take care of visitors who stop by (Appendix 5).

Destination Marketing or Destination Management

From the interviews and the communication trouble that seems to be present, it doesn't look like the DMO's have taken to heart the trend as Richie og Crouch (2013) explained, where the DMO's go further and beyond their role, expanding their work and going beyond marketing and promotion. Now, in 2016 Visit Faroe Island and the government on working on an overall plan to develop home tourism (Innanlands ferðavinnan skal mennast, December, 2015). Showing how the government is starting to look at tourism in the broader perspective and also managing the impact. Just like Getz et al. (1998) acknowledged, the dominating activity in the Faroese DMO's is also marketing and sales and management functions such planning and development are ignored.

Turning to the Getz et. Al. figure, the marketing-planning-development gap in destination marketing and conveying it in a Faroese context. The inputs to the destination development side are scarce.

- Lack of entrepreneurs in the area
- Not any local investors
- Lack of government involvement

The word coordination seems to be the common denominator and a solution to every problem expressed. Hall (2008) mentions how the great truism of policy and planning is the need for coordination. The reason is because there lacks a single authority responsible for the development of tourism.

As explained by domain level planning doesn't work in practice is because no organization with that purpose. Visit Tórshavn points out how there needs to be an overall coordinating body that sets in motion and holds everything together in the Faroese tourism. Someone that looks inwards. One manager that helps the regions and makes the regions functions properly within tourism. The same goes for the tourist offices. Someone that comes up with a plan and says this is what we are focusing on in the future.

In the Faroe Islands at the moment everybody works separately they have different resources available to them. In some places the tourist offices are part of the municipality and some are not.

The question is, if it is possible to get the right development without a body with a little control (appendix 5).

As a Municipality, Sunda municipality is missing some guidelines. What is rational to start with right away? What is the tourist's expectation? To prevent doing a lot and the tourist actually demands little. Simple guideline saying what should be done the next three years (appendix 6). The tourist offices are the ones who should have the local focus but Sunda municipality is located far from where the decisions are being made. Sunda municipality would like greater influence on the guides and tours.

Following the statement by Getz et al. (1998) as to why domain level planning doesn't work in practice seems to be the same reason as in the Faroe Island. The reason is there is no person or no organisation who is pointed to have the overall responsibility. If we take a quick look at Visit Faroe Islands staff there are seven people employed working respectively with administration, digital marketing, content and massmedia mice and leisure tursim. This substantiates the conclusion we have made her in this examples above.

It seems like the local Faroese tourism has some difficulties when it comes to coordination and communication. In regards to the direction to Visit Faroe Island and also the tourist centres in the local area. According to Theresa Kreutzman, Olga Biskopstø and Sunda Municipality they all have experienced failures in the communication.

Sunda Municipality tells of one example: *"...they sold waffles in in the shop, the problem was the service was too slow. They (the tourists) do not feel like standing in a long line. People are not organized good enough when they know a lot of visitors are coming. When 6 busses are coming, one woman making waffles is not enough. This is where a phone call is necessary, saying, we are leaving Tórshavn now and will arrive in one hour"* (Appendix 6)

There is a feeling that the central regions often arrange tours in the local areas belonging to Sunda Municipality without informing them. The consequence is as mentioned in the citation above; the local areas are not prepared to handle such large number of tourists.

Sustainable tourism

There seems to be a unanimous wish to start looking inwards instead outwards and to start planning for tourism in the rural areas. The demands for tourism planning and government involvement in the process is a response to the unwanted effects of tourism development according to Hall (2008).

Eirik Suni Danielsen says the time is now ready to create planned conditions and start a broader debate about the tourism future (Mugu skipa ferðavinnuna, 2016, August 23). He stresses how Tórshavn might be ready for the extra tourists, but the peripheries need to know how it will impact them. There is a need for better planning in the peripheral areas. One part that lacks behind in this process is destination management and a clear consensus of who does what (Appendix 8).

Even though it is mentioned in the first part of the analysis how the government's goal is to achieve sustainable tourism development. Following Dredge & Jenkins (2007) in order for sustainable development to be accepted it needs to be given local. Because of the complexities and a continuous expressed wish for the key principals to sustainable theory it can be argued this goal is not achieved.

Sustainable tourism is about recognizing the negative impacts and a need to manage them (Saarinen, 2006). In the previous parts in this analysis have brought fourth how the negative impacts are evident in the local areas and there is a need to start managing them.

Following the key principals of sustainable tourism mentioned in Hannam & Knox (2011) there is an expressed wish for ecological sustainability. According to Olga Biskopstø, the locals in Gjógv would prefer fewer busses. She proposes to look closer at the carrying capacity in Gjógv in order to evaluate how much the area can take. She believes, that mass tourism in a small space is not a local gain. When all the beds are full in the summer houses, the camping area, the hotel and there still arrive 3 to 5 busses at the same time with tourist groups. It then becomes self-explanatory that the locals cannot serve them all because they are offering small shops where 10 people fit at the same time and tourist only stay an hour (Appendix 9). There lacks knowledge locally but also in the rest of the system.

The need for environment regulation is also expressed:

“Within plants, flowers and herbs and growing things we need stricter rules. Just as in Svalbard and in Greenland. It is not possible to leave the country with rocks and herbs it is illegal. Here we need the statutory system to back us up. This will also benefit the locals” (Appendix 9).

Conclusion

This research project set out to explore tourism in the Faroe Islands, with the specific focus on rural areas. The aim was to understand how the development of the tourism field impacts the Faroese rural areas, through a single - case study of the small Faroese village called Gjógv.

This project is motivated by the incentive of an observation about a frustration in the Faroese tourism industry. Through a fair called Job match I was introduced to Sunda Municipality who expressed having trouble with managing tourism. They were very interested in a research project focused on their region. A second motivation for this research project is also of a personal interest in exploring and thereby contributing to the research on tourism in the Faroe Islands.

The reason for the exploratory and qualitative approach is based on the limited research on Tourism in the Faroe Islands. To gain knowledge about tourism in the Faroe Islands and to explore what was going on interviews were conducted. Interviews with actors who could contribute with insight about the issues at hand through their eyes. These interviews compared to the secondary data in the form of articles and Visit Faroe Islands overall tourism strategy was used to in the analysis to explore the objectives. Following an inductive approach and also the essentials of grounded theory, the theory and concepts stem from the empirical data collected about tourism in the Faroese rural areas. Shaping this this research project is the chosen philosophy of science, phronetic social science. Echoing the principal objectives of understanding the values and interests and how they relate to praxis. In order to generate input to an ongoing discussion about tourism in the Faroe Islands and a dialog about local issues.

To achieve the aim of this project two objectives, need to be met. The first objective examines the current complexities in local tourism development in the Faroe Islands based on these complex tourism impacts. The second objective is on the search for a better understanding of values in tourism, using a single case study of the village Gjógv for in-depth knowledge of how tourism can benefit a local community like Gjógv. Furthermore, what kind of development would be desirable for the smaller communities in the Faroe Islands?

The structure of this conclusion holds on to the headlines used in the analysis in order to create consensus. By elucidating where we are, where we want to go, and what is desirable according to different sets of values and interests in connection to tourism and the Faroe Islands rural areas.

To explain where we are the starting point is in the strategy. On the one hand there is the Government and Visit Faroe island and the overall tourism strategy. The vision is to create growth in the tourism industry in the Faroe Islands and choose to focus on the following 3 points in order to achieve the goal. Focused marketing: All marketing by the industry will be coordinated through one joint brand. Framing: Creating the best possible framework for the industry. The legislation needs to be refined to create a safer framework and increased profit for the providers. Development: Ensure sustainable development, as well as facilitate product development, investments and education within the tourist industry. (Appendix 1)

The planning process is focused on tourism as an industry and creating economic growth. And the Government wishes to have another leg to stand on because of the flux in the Faroese economy. When looking further into how tourism impacts the Faroe Islands and the rural areas the findings are:

Tourism has a positive impact on all aspects except the environment. The analysis described the development with focus on how it is valued. Finding out that there are two different voices. The managerial voice and the critical voice. It is evident that there is a need for a broader discussion on tourism. Not only on the economic impacts but also the social, environment and political impacts.

The question about who gains and who loses is not present in the Faroe Islands. The first chapter of the analysis brought fourth how Visit Faroe Islands value of tourism lies in the number of tourists and economic gain. However, this chapter has brought fourth how the rural areas and Gjógv value the social and environmental value higher. The well-being and preserving the communities natural state has higher value. These different perspectives create different complexities. The rural areas seek restrictions, guidelines, better planning and more information and in the end more collaboration.

One complexity mentioned in this chapter is how the rural areas want restrictions to the number of tourists. There is a need to figure out the carrying capacity, because the rural areas believe, the economic benefits have been reached when the hotel, summerhouses and camping area is full. The restrictions are a win-win for the local areas but a loss for tourism in the main area.

Another complexity is how the government says the regions are not good enough to collect their share of the economic income. This issue can be turned in the direction of the main area and asking if maybe they are not good at their job to coordinate their work together with the rural areas.

The case study showed: an imbalance in power. Both at the local level and the municipality level. Locals feel not involved in the tourism development taking place in the community they are a part of

and affected by. Catering to the tourists and not the locals. Also at the municipality level there seems to be a loss of power. In this case the decisions are made in the capital and not in collaboration with the area. The money goes to the incoming bureaus in the capital as well. The municipality provides the services but do not get paid when they are used. No control of the tourist flows.

Contribution

Hopefully this assignment will contribute to the further discussion in The Faroe Island about tourism as an industry. There are many issues here that becomes current in the future when the government, VFI, the local DMO's and the municipalities are going to discuss the further development of the DMO's and the structure in the tourist industry in its entirety. It seems to be necessary to discuss these values in a broad perspective because it is visible that there are differences in the definition of these values depending on whether you are in the main area or in the rural area.

References

- Bauman, Z. (1996). *Tourists and vagabonds: Heroes and victims of postmodernity*. Wien: Institut für Höhere Studien.
- Bertholdsen, Á. (2015, May 14). Øll fuglaveiða má bannast í nòkur ár. Retrieved September 16, 2016, from [http://www.in.fo/news-detail/oell-fuglaveida-ma-bannast-i-noekur-ar/?L=0&cHash=700b0c07122cfeaa82f610247b62bf01&sword_list\[\]=Øll&sword_list\[\]=fuglaveiða&sword_list\[\]=má&sword_list\[\]=bannast&no_cache=1](http://www.in.fo/news-detail/oell-fuglaveida-ma-bannast-i-noekur-ar/?L=0&cHash=700b0c07122cfeaa82f610247b62bf01&sword_list[]=Øll&sword_list[]=fuglaveiða&sword_list[]=má&sword_list[]=bannast&no_cache=1)
- Briedenhann, J., & Wickens, E. (2004). Tourism routes as a tool for the economic development of rural areas - vibrant hope or impossible dream? *Tourism Management*, 25, 71-79.
- Brinkman, S., & Tanggaard, L. (2010). *Kvalitative metoder: En grundbog* (2nd ed., Vol. 1). Forfatterne og Hans Reitzels Forlag.
- Bærenholdt, J. O., & Granås, B. (2008). *Mobility and place, Enacting Northern European Peripheries*. Ashgate Publishing Limited.
- Clausen, H. B., & Guimóthy, S. (2014). Community, Development and Tourism in the 21st Century. In V. Andersson (Ed.), *Global Mobilities and Tourism Development: A Community Perspective*.
- Dredge, D., & Jenkins, J. (2007). *Tourism planning and policy*. John Wiley & sons.
- DV kjak: Ferðavinnan trýstir náttúruna. (2016, August 23). Retrieved November 28, 2016, from <http://kvf.fo/netvarp/sv/2016/08/23/dv-kjak>
- Ferðavinnan er ikki burðardygg. (2016, August 05). Retrieved November 28, 2016, from <http://kvf.fo/netvarp/sv/2016/08/25/20160825ferdavinnanikkiburdardygg>
- Flyvbjerg, B. (n.d.). Social science that matters. *Foresight Europe*. Retrieved November 29, 2016, from <http://www.foresight.org/2005/march/2006>
- Getz, D. (1986). Models in tourism planning. *Tourism Management*, 7(1), 21-32. doi:10.1016/0261-

5177(86)90054-3

- Getz, D., Anderson, D., & Sheehan, L. (1998). Roles, issues, and strategies for convention and visitors' bureaux in destination planning and product development: A survey of Canadian bureaux. *Tourism Management*, 19(4), 331-340. Retrieved November 7, 2016.
- Glaser, B. G., & Strauss, A. L. (1967). *Discovery of grounded theory*.
- Gásadalsfólk harmast um ferðafólkavøkstur. (2016, August 14). Retrieved November 28, 2016, from <http://kvf.fo/netvarp/uv/2016/08/14/dalet-export-1071987>
- Hall, C. M., & Lew, A. A. (2009). *Understanding and managing tourism impacts: An integrated approach*. Routledge.
- Hall, C. M. (2008). *Tourism planning: Policies, processes and relationships* (Second edition ed.). Harlow, England: Pearson/Prentice Hall.
- Hall, C. M. (2008). *Tourism planning: Policies, processes and relationships*. Harlow, England: Pearson/Prentice Hall.
- Hammer, S., & Jensen, J. (2015, May 14). Líkasæla hóttir lundan. *Www.in.fo*. Retrieved September 16, 2016, from [http://www.in.fo/news-detail/likasaela-hottir-lundan/?L=0&cHash=d3034c10a31d9f694c78076199e3cda0&sword_list\[\]=Líkasæla&sword_list\[\]=hóttir&sword_list\[\]=lunda&no_cache=1](http://www.in.fo/news-detail/likasaela-hottir-lundan/?L=0&cHash=d3034c10a31d9f694c78076199e3cda0&sword_list[]=Líkasæla&sword_list[]=hóttir&sword_list[]=lunda&no_cache=1)
- Helgesson, C., & Munesia, F. (2013). For What It's Worth: An Introduction to valuation studies. *Valuation Studies*, 1((1)), 1-10.
- Henriksen, P. F., & Kalkier, H. (2009). From local promotion towards regional tourism Policies: Knowledge processes and Actor networks in north Jutland Denmark. *European Planning Studies*, 17(10).
- Hovgaard, G. (2008). Villages on the Move: From places of Necessity to Places of Choice. In S. M. Kristiansen (Ed.), *Mobility and place, Enacting Northern European Peripheries* (pp. 61-

114). Ashgate.

Jamal, T. B., & Getz, D. (n.d.). Collaboration theory and community tourism planning. *Annals of Tourism Research*, 22(1), 186-204. Retrieved from Elsevier Science Ltd.

Kommunufelagið. (n.d.). Retrieved November 29, 2016, from <http://www.kf.fo/>

Kvale, S., & Brinkman, S. (2009). *Interview: Introduktion til et håndverk*. Hans Reitzel.

Lassen, B. (2016, May 30). Ferðavinnan kann oyðileggja náttúruna. Retrieved September 16, 2016, from [http://www.in.fo/news-detail/ferdavinnan-kann-oydileggja-natturuna/?L=0&cHash=d5b5ef4cf3ed3c697f18c68227dc11e3&sword_list\[\]=ferðavinnan&sword_list\[\]=kann&sword_list\[\]=oyðileggja&sword_list\[\]=náttúruna&no_cache=1](http://www.in.fo/news-detail/ferdavinnan-kann-oydileggja-natturuna/?L=0&cHash=d5b5ef4cf3ed3c697f18c68227dc11e3&sword_list[]=ferðavinnan&sword_list[]=kann&sword_list[]=oyðileggja&sword_list[]=náttúruna&no_cache=1)

Láadal, L. (2016, November 14). Tyrlurnar hjá Atlantic sightseeing við turistum. Retrieved November 14, 2016, from <http://www.dimma.fo/basic-content/tyrl/>

Maccannell, D. (2002). The Ego Factor in Tourism. *J Consum Res Journal of Consumer Research*, 29(1), 146-151. doi:10.1086/339927

Maccannell, D. (2002). The Ego Factor in Tourism. *J Consum Res Journal of Consumer Research*, 29(1), 146-151. doi:10.1086/339927

Martin, M., & Munt, I. (1998). *Tourism And sustainability: new tourism in the third world*. London: Loutledge.

Moscardo, G. (2014). Tourism and Community Leadership in Rural Regions: Linking Mobility, Entrepreneurship, Tourism Development and Community Well-Being. *Tourism Planning & Development*, 11(3), 354-370. doi:10.1080/21568316.2014.890129

Mugu skipa ferðavinnuna. (2016, August 23). Retrieved November 28, 2016, from <http://kvf.fo/netvarp/sv/2016/08/23/20160823muguskipaferdavinnuna>

Muller, D., & Jansson, B. (2007). *The difficult business of making pleasure peripheries prosperous: Perspectives on space, place, and environment*.

Tourism in peripheries: Perspectives from the far north and south

- Page, S. J., & Getz, D. (1997). *The Business of Rural Tourism*. International Thomson Business Press.
- Presenza, A., Sheehan, L., & Ritchie, J. B. (2005). Towards a model of the roles and activities of destination management organizations. *Journal of Hospitality, Tourism and Leisure Science*, 3(1), 1-16.
- Ren, C., Petersen, M. K., & Dredge, D. (2015). Guest Editorial: Valuing Tourism. *Valuation Studies VS*, 3(2), 85-96. doi:10.3384/vs.2001-5992.153285
- Ren, C., Petersen, M. K., & Dredge, D. (2015). Guest editorial: Valuing Tourism. *Valuation Studies*, 3((2)), 85-96.
- Ritchie, J., & Crouch, G. (2003). *The competitive destination: A sustainable tourism perspective*. Cabi.
- Saarinen, J. (2006). Traditions of sustainability in tourism studies. *Annals of Tourism Research*, 33(4), 1121-1140. doi:10.1016/j.annals.2006.06.007
- Stebbins, R. A. (2012). *The SAGE Encyclopedia of Qualitative Research Methods*. SAGE Publications. Retrieved September 06, 2016, from Sage researchmethods.
Chapter Title: "Exploratory Research"
- The official site of the Faroe Islands. (n.d.). Retrieved November 28, 2016, from <http://www.faroeislands.fo/>
- Xiao, H., & Smith, S. L. (2006). Case studies in tourism research: A state-of-the-art analysis. *Tourism Management*, 27, 738-749. Retrieved from Elsevier Science Ltd.
- Yin, R. K. (1981). The Case Study as a Serious Research Strategy. *Science Communication*, 3(1), 97-114. doi:10.1177/107554708100300106
- Zhao, W., Ritchie, J. B., & Echtner, C. M. (2011). Social capital and tourism entrepreneurship.

Annals of Tourism Research, 38(4), 1570-1593.