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Skagaströnd: case study on smart shrinkage

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1. Introduction

This research project was conducted in partnership with the Nord+ program, with researchers from universities in Iceland, Latvia, Lithuania, Estonia, and Finland which focused on the concept of 'Smart Shrinkage' in rural regions across Northern Iceland. In this study we researched the community of Skagaströnd in North Western Iceland. The study set out to research how the community members are navigating population loss, preserving their sense of community identity, and to gain an understanding of the past, present and future of Skagaströnd. The population growth in Nordic countries is concentrated in the urban centres, and many municipalities located in rural areas face difficulties in remaining economically competitive and providing services when their demographics change (Heleniak & Sánchez Gassen, 2020). In Iceland specifically the coastal communities have struggled since the changes in fisheries management starting in the 1980s affected the economic activity greatly (Matthiasson, 2003).

Our initial research questions asked included: how long term residents and newcomers feel about the social, cultural, and industrial status quo of Skagaströnd; how does the community perceive and preserve itself in the past, present, and future; what challenges does the municipality and its people face in a modern context. As we could not find a clear definition of what exactly 'Smart Shrinkage' entails, we shifted our focus towards understanding the local residents' opinions on place attachment, gaining a historical knowledge of the community and what they ultimately want for Skagaströnd in terms of economic and social developments. Overall, our main interest in the case study site was linked to how the past of the town affects the present lived experience, and what future outlooks the local community has?

Our study is inductive and mostly qualitative in nature, and we wanted to immerse ourselves in the case study site without strict preconceived

questionnaires. Observations, spontaneous conversations and unstructured interviews were applied to find out the themes that shape this research paper. Based on the data gathered we mapped important features of the town to visualise place attachment. Initial data gathering before arriving on the site also provided a concise media analysis. The thematic content analysis of the gathered data allowed us to define the following research questions:

1. How do long-term residents and newcomers feel about the present state of Skagaströnd?
2. What is their outlook on the town's future in terms of social structures, population density, economic development, and cultural identity?

In the following sections this paper presents a description of the case study site, the applied methodology, theoretical framework, data description and analysis, results and conclusions.

1.1. Case-study site description



Fig.1: Map of Skagaströnd and its location

We arrived at the case study site on 18th of May 2024 and stayed until 22th of May 2024. Our case-study site was the community of Skagaströnd. Skagaströnd is a coastal historic fishing village located in the North Western region of Iceland with a distance of 165 km to the closest urban centre, Akureyri, and 265 kilometres away from the capital city of Reykjavik. In January of 2024, the population of Skagaströnd sat at 457 inhabitants (Statistics Iceland, 2024). Skagaströnd is approximately 20 kilometres North of the main ring road. The nearest neighbouring towns are Sauðárkrókur

which is 52 kilometres East with over 2600 inhabitants and Blönduós which is 22 kilometres towards the South with over 800 inhabitants (Statistics Iceland, 2024).

The town has mainly relied on the fishing industry, but some local stakeholders are interested in the future of the community's industries and financial standing (Chambers et al., 2017). Skagaströnd has struggled with traditional demographic problems and financing industrial development initiatives over time. Additionally, the population in Skagaströnd has been affected in line with the ebbs and flows of the fishing industry in general. This phenomenon can be observed in several other historic fishing villages in coastal Iceland (Benediktsson and Kokorsch, 2018a). After the sale of the community owned trawler in the late 2000's, there have been a few successful attempts at community development projects which helped create jobs for individuals with higher education. Such projects like the marine biotechnology initiative BioPol, the artist residency Nes, and the museum of prophecies all stem from this influx of finances.



Fig.2: Map of Skagaströnd and its services

Back in 1900 Skagaströnd was a small village with less than 100 inhabitants. It slowly grew to 300 residents around the time of the second world war. By 1960 the town had grown to around 600 inhabitants, which can be directly linked to the success of the herring industry. From then on, the population kept fluctuating between 500 and 650 due to events in the fishing industry before reaching its peak of population with 690 residents by 1994. After that the population started to decline.

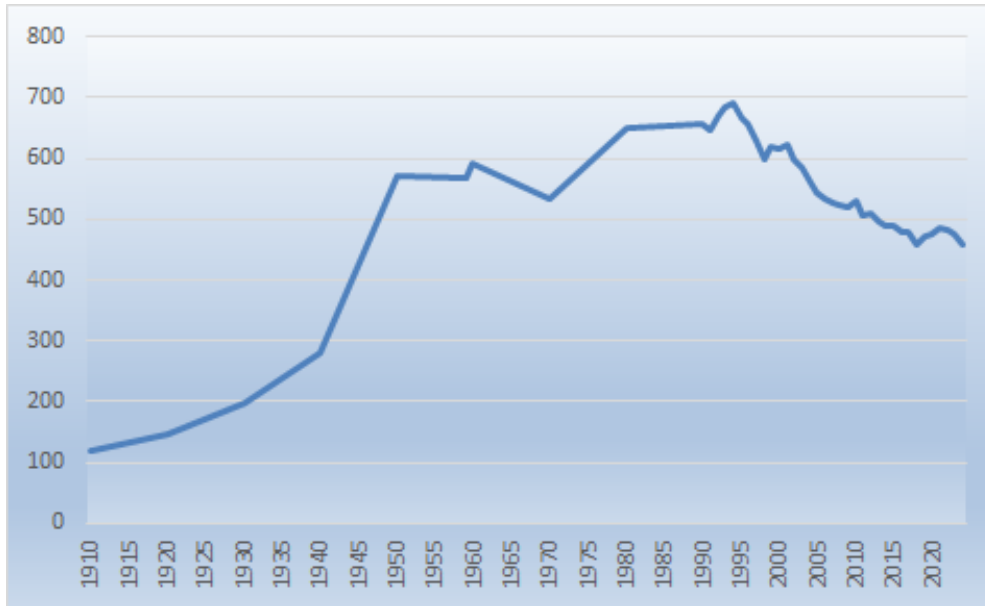


Fig.3: number of people in Skagaströnd 1910-2024 (Statistics Iceland, 2024)

The decline in Skagaströnd's population during the last 30 years has mainly been because of emigration. Selling one trawler in the mid 1990s meant the loss of around 50 jobs (Benediktsson and Kokorsch, 2018). From 1995 to 2022 on average 11 people have emigrated every year, though the largest number of people emigrating has been 37 in 1995 and the largest largest number of people moving to Skagaströnd has been 23 in 2019. (Fig. 3)

During that period population net growth has been more on the positive side with an average of 4, though fluctuating between a decrease of 5 and an increase of 9 people (fig. 4).

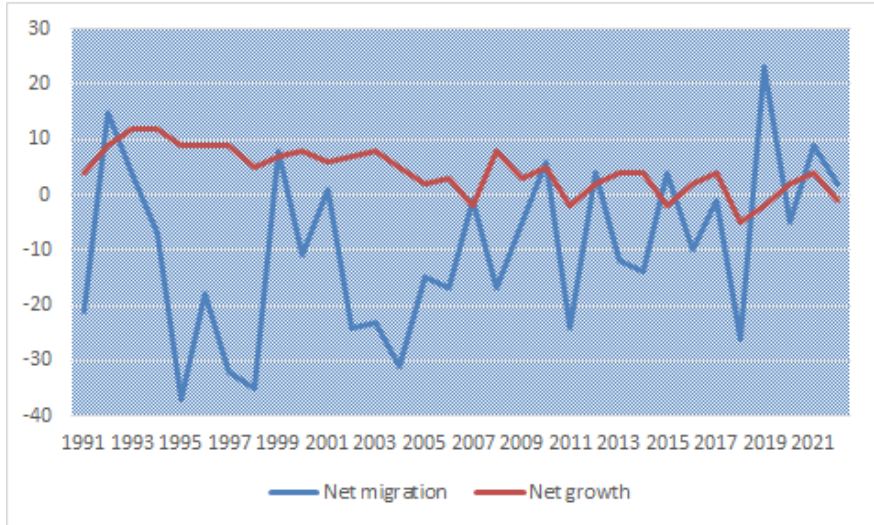


Fig.4: net migration and net growth of Skagaströnd 1991-2022 (Statistics Iceland, 2024)

The average age has risen slowly over the last few decades. In 1998 the average age was under 31 and by 2020 it had increased to 40 years. As of 2024 the average age is just below 40. (Fig 5)

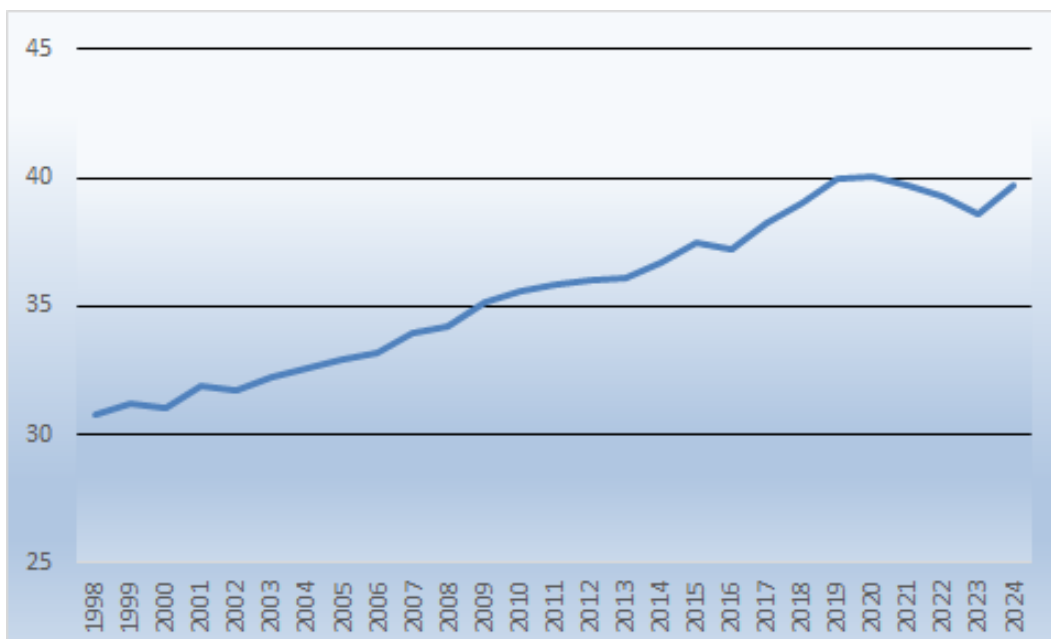


Fig.5: change in average age in Skagaströnd 1998-2024 (Statistics Iceland, 2024)

Ageing is also seen when looking at the population pyramids of the years 1998 and 2024. The population of 600 reduced down to 457 over this time span. The largest part of the population loss has been in the age group of children and young adults. The number of people under the age of 15 has declined by 50 % from 175 to 86 during 1998-2024, which is also reflected in the number of people in primary school. From 2001 to 2024 the number of kids in school has dropped down from around 120 to around 60, which is where it's at currently. The number of children in the kindergarten has increased again from 20-30 children before covid to around 40 in the last years. (Fig. 6)

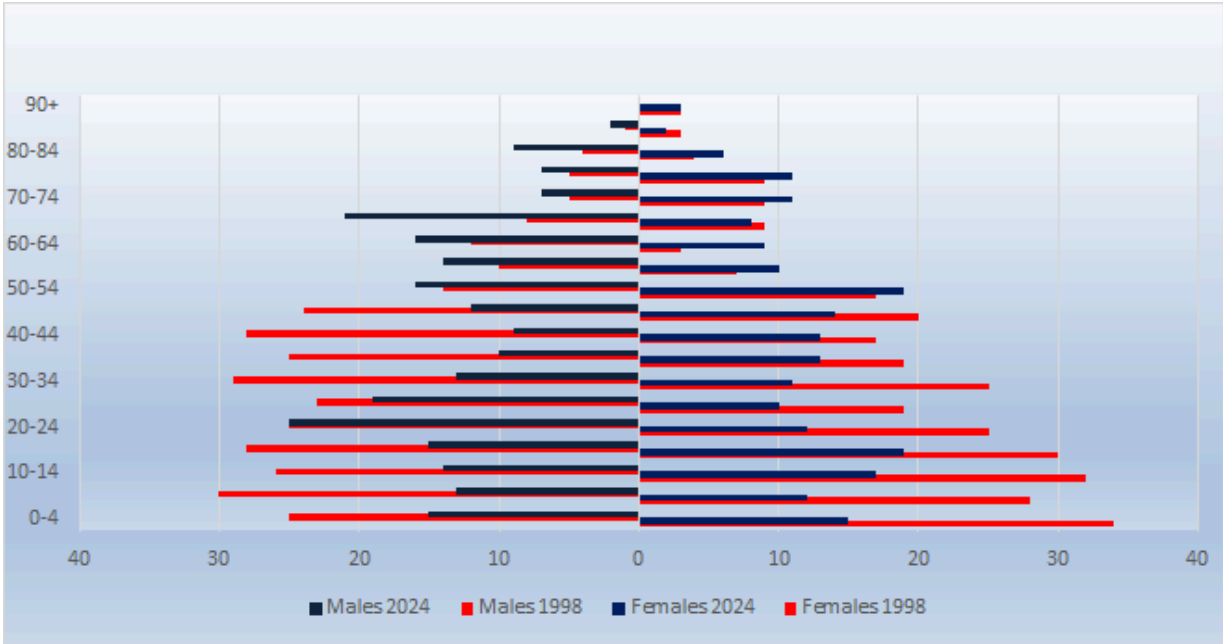


Fig.6: population pyramid of Skagaströnd in 1998 (red) and 2024 (blue) (Statistics Iceland, 2024)

Previously research has been done on Skagaströnd in the context of studying small communities (Benediktsson & Kokorsch, 2018a; Chambers et. al., 2017; Kokorsch, 2017; Kokorsch, 2018;).

After the end of the “herring adventure” the community of Skagaströnd tried to find new ways to create jobs by establishing cooperatives and

buying freezer trawlers. Some people in Skagaströnd believe that technological enhancement in the fishing industry has also contributed to the decrease in job opportunities in Skagaströnd. (Chambers et al. 2017)

Skagaströnd was affected by changes in the fishing industry. During the 1990s the town lost the ownership of some of their trawlers, shortly after the processing plant closed down. Then in 2001 the shrimp factory closed. Following that, the local fishing company got taken over by Eimskip, which led to losing control of the shares locals had owned in Skagaströnd's fishing company, and ultimately in losing the last local trawler and quotas. These events made the local government realise that investments needed to be made in other sectors to diversify the economy (Benediktsson & Kokorsch, 2018a).

Skagaströnd does not solely rely on the fishing industry anymore as local people understand that traditional fisheries are not the future (Benediktsson & Kokorsch, 2018). Nowadays fish are transported out of town and processed elsewhere. Newcomers of the region don't perceive Skagaströnd as a fishing community anymore, even though there are fishermen and buildings left from older times. (Kokorsch, 2017)

Benediktsson and Kokorsch (2018) found that Skagaströnd has a strong sense of place attachment, belonging, and community, which makes the community resilient. Locals show enthusiasm when describing their home place (Benediktsson & Kokorsch, 2018). Our research adds a recent outlook on the town to previously done research and builds on similar concepts while expanding on themes that came out of the interviews conducted.

2. Theoretical perspective

2.1. Smart shrinkage in rural communities

Smart shrinkage refers to a qualitative approach to managing the decline in population and resources in locality (Hermans, 2016). It involves shifting the focus from finding new pathways for growth to improving the quality of life and wellbeing of the remaining population, encouraging local creativity in reinterpreting available assets and reusing old structures, as, usually, the towns are past their mono-industrial heyday. It also emphasises the symbolism of shrinkage and the importance of acknowledging past achievements while embracing new possibilities for local development.

Smart shrinkage is seen as an opportunity for sustainability transitions and can strengthen the link between regional development and sustainability. It challenges the growth model and encourages a more nuanced and context-specific approach to managing shrinkage (Haase, 2013). However, shown in the case of Puolanka, a rural town in Finland, (Schmidt-Thomé & Lilius, 2023), it is hard for municipalities and governments to get rid of the idea of growth in future plans, as it is equated to hope, despite the seeming contradiction to the actual situation. This is true in the case of Skagaströnd as well, as the municipality's master plan, which describes the vision of the town for the coming years, states as their first priority the attraction of new residents (Aðalskipulag Sveitarfélagsins Skagastrandar 2019-2035).

2.2. Place attachment and (regional identity)

Scannel and Gifford (2009) define place attachment as “the bonding that occurs between individuals and their meaningful environments”. So simply put the term place attachment is used to describe the emotional bonds to places developed by people (Lewicka, 2010). Scannel and Gifford (2009) divide the theoretical framework of place attachment into three

dimensions to better understand it: the person, the place, and the process of forming attachment. The first dimension, person, is highlighted in our study since our research is very people centred and focuses on the perceived meanings that interviewees gave to places. The process of assigning meaning to a place can happen through memories, symbols and feelings (Lewicka, 2010). Time spent in a place is the most usual denominator of forming place attachment, but it is definitely not the only one (Lewicka, 2010).

The research that utilises place attachment as a concept can focus on social and/or physical aspects of it. Lewicka (2010) explains the differences by giving examples of social factors affecting place attachment such as close ties with neighbourhood, generational rootedness, and religious symbolism of a place, while giving examples of physical factors such as beautiful nature, possibility of recreation and rest, and physically stimulating environment. Our study was not strictly focused on either social or physical factors since we were interested in all possible reasons for forming attachment.

Place attachment can be researched in both quantitative and qualitative methods, and in our study we utilised qualitative methods (Lewicka, 2010). We didn't measure place attachment on a scale; instead, we analysed how the theme of place attachment emerged from the data collected and formed a map to visualise the places that were mentioned in conversations in some sort of meaningful way.

2.3. Social resilience

In rural communities, including those in Iceland, there is a strong sense of social resilience (Willson & Gunnlaugsdóttir, 2015). It means that when challenged with various social, economic or environmental problems, the community can withstand them collectively and “return to a state where a given function can be maintained” (Forbes et.al., 2009). In our case study

the concept of social resilience mainly showed itself in the form of the municipality having a strong will to stay independent, which highlighted the need of the community to be resilient and not reliant on other municipalities for example.

Strong social ties and networks within a community are critical for resilience. These networks facilitate communication, mutual support, and collective action in times of crisis. According to Adger (2000), social resilience is heavily reliant on the strength of social capital and the quality of social networks within the community. Bonds between family members, friends and neighbours provide immediate support and resources in times of need. One major theme of our study was the strong community feeling, networks and family ties that made the case study community close knit.

3. Methodology

This section will give a detailed overview of all the different methods used throughout the process of this study. Ethical considerations and positionality of the research team will also be explained in this section of the report.

3.1. Data collection

All of the data used in the report was collected and analysed in the time period of May 17 to May 23 2024, of which the dates between the 18th and 22nd were spent in the case study field site in Skagaströnd, Iceland. The research team received some contacts from supervisors, which were then used to schedule interviews with local stakeholders, community members, business owners, et cetera. Additional interviewees were found by either using the snowball sampling method which is detailed by Parker et al. (2019) as a popular qualitative research sampling method in which researchers build up a large network of contacts through the recommendations of study participants (Parker et al., 2019) or by approaching people and starting an impromptu conversation. Notes from interviews and conversations with invested stakeholders and community members were compiled during and following each interview/conversation session. The qualitative data was then analysed via a thematic content analysis that, per Anderson (2007), presents an overview of the number of recurring themes throughout the interviews and conversations had in the field with an intent to identify common themes (Anderson, 2007). The raw data resulting from the thematic content analysis can be found in the results section of the report while the details of each theme discussed can be found in the discussion section. Additionally, the research team conducted an observational mapping analysis, inspired by the participant observation analysis conducted by Kokorosch in 2018, during the time spent at the case study site. This observational mapping included the

photographing of sites subject to place attachment and 'lived-in' sites throughout the community which resulted in the mapping of said qualitative data found in the results section (excluding domestic homes) (Kokorsch, 2018). An additional analysis of relevant media was conducted prior to and during the study in Skagaströnd highlighting the positive and negative developments - in terms of discovery and description including the search for underlying themes and patterns (Altheide, 2000).

3.1.1. Media analysis

The initial gathering of data involved researching news articles and announcements written about Skagaströnd in recent years. The search was limited to online news outlets and most of them are from a news website called visir.is. In this search the focus was on news that talked about what is happening in town, such as events and changes. These news articles provided information on the municipality and the community and overall had a positive outlook on the town, yet some focused on the closing of services and how that affects people living there. Many news articles seem to focus on showing that Skagaströnd is a good place to live with new development and a happy community. Fostering a good image is likely important for small towns that wish to attract more people. The following table (table 1) displays the news sorted on whether their content could be described as positive or negative when it comes to the town's development and image.

Table 1: online news articles about Skagaströnd

Positive	Negative
Plans to increase the number of apartments in Skagaströnd	Local apothecary stops having prescription drugs on site

<p><https://www.bbl.is/frettir/ibudum-verdur-fjolgad-a-skagastrond></p>	<p><https://www.lyfja.is/um-lyfju/frettir/breytt-utibu-a-skagastrond></p>
<p>The Skagaströnd municipality is one of the municipalities of the year 2023</p> <p><https://www.skagastrond.is/is/moya/news/sveitarfelagid-skagastrond-eitt-af-sveitarfelogum-arsins-2023></p>	<p>Post office closure</p> <p><https://www.visir.is/g/20222314737d/loka-posthusunum-i-grindavik-a-skagastrond-og-kopaskeri></p>
<p>Christmas market in the community centre with 28 sellers</p> <p><https://www.visir.is/g/20232491144d/vinkonur-med-jolamarkad-a-skagastrond></p>	<p>Gas station closure</p> <p><https://www.visir.is/g/20222284529d/lokun-olis-a-skagastrond-folk-ad-missa-spilur-stokknum></p>
<p>New road section replacing one that has been considered most dangerous</p> <p><https://www.visir.is/g/20232485925d/kemur-i-stad-vegakaflo-sem-talinn-hefur-verid-einn-so-haettulegasti></p>	<p>Dissatisfaction with merger plans</p> <p><https://www.visir.is/g/2019190929116/skagstrendingar-fordaema-vinnubrogd-sis-vegna-sameiningartillagna></p>
<p>Plans for new hotel at the old herring factory</p> <p><https://www.visir.is/g/20232399637d/opna-hotel-i-gamalli-sildarverksmidju></p>	<p>The local Kántrýbær-restaurant is bankrupt</p> <p><https://www.visir.is/g/20222357760d/hallbjorn-hjartarson-latinn-og-felagid-sem-reisti-kantrybae-gjaldthrota></p>
<p>Old house converted to a cultural and community centre</p> <p><https://www.visir.is/g/20222341348d/menningin-blomstrar-a-skagastrond></p>	
<p>Skagaströnd is a great place to raise a family, no waiting list to preschool</p> <p><https://www.visir.is/g/20222297286d/engin-bidlisti-i-leikskolann-a-skagastrond></p>	
<p>The unemployment office moves to a new and elegant building</p> <p><https://vinnumalastofnun.is/frettir/2022/07/greidslustofa-vinnumalastofnunar-a-skagastrond></p>	

3.1.2. Unstructured interviews

We scheduled 7 interviews with local business people, invested stakeholders, and community members ahead of time and discussed leading questions prior to the interview sessions. Ultimately, the group deemed an unstructured/conversational interview style to be the best possible option to understand the positionality of the interviewees. This decision comes from limitations associated with the study including the limited time frame, understanding of the 'Smart Shrinkage' concept, and a potentially biased pool of interviewees. Unstructured interviews entail that the researcher has a clear plan of how the interview should go, but mostly lets the interviewee lead the conversation (Bernard, 2006). We decided not to have a defined structure for the interviews to avoid missing out on certain topics that we weren't aware of being relevant to the study prior to the interview sessions - this is due to our lack of knowledge of Skagaströnd in general. None of the interviews were recorded to protect the informal atmosphere of the conversations. Notes were written during and after the interviews. The interviews took place in workplaces, homes and outside tours around the region.

3.1.3. Informal interviews

27 informal interviews (34 interviews total) were conducted around the town. Some of them turned into longer conversations, while some were brief in nature. In an informal interview, compared to an unstructured interview, there is no real plan as to how it is going to go, it could be characterised as a regular day-to-day conversation (Bernard, 2006). The only difference is that after the conversation has been had, it is written down in notes. These conversations took place on the streets and in places

of recreation and employment of the inhabitants of Skagaströnd. Notes on the individual interviews were collected after the conversations.

3.1.4. Participant observations

Participant observation was used as a way to get to know the town without the influence of the inhabitants' opinions. We looked at the details of signs, posters, buildings and other important landmarks in Skagaströnd to see how the town has chosen to represent itself. Besides note taking, which we all did the whole stay and compiled in a shared document, we also took photos of the general area, specific buildings, and details of signs, memorabilia et cetera. Some of the photos were also used for mapping purposes. We also did observations by going to the swimming pool, grocery store and gas station.

Participant observations are a great way to immerse yourself in a community and get acquainted with the local people faster (Bernard, 2006). Although not as effective in a short time frame, they were still an important part of the research and got us additional data that was used in the analysis.

3.1.5. Mapping

On walks and drives around town, we took note of places that were used as social spaces by the community members. Any spaces that were regularly frequented by the community, that were of a social nature were marked in the map.

A second category that we mapped were built structures or items around town that had no apparent function (anymore). We made sure to find out more about these built structures or items during our interviews.

3.2. Data analysis

3.2.1. Coding

We used the method of coding to analyse both the interviews and notes from the participant observations. To name the codes, terminology from the applied theory and in vivo names were used (Clifford, et. al., 2016) . We used the Microsoft Excel program to code larger themes that came up in the interviews.

3.2.2. Thematic content analysis

Thematic content analysis is a way to produce qualitative data in the form of creating visually interesting and descriptive graphs, charts, etc. In our study, the analysis of thematic interview content includes the deciphering of ideas, themes, and messages found in the interviews and impromptu conversations to show what common threads, patterns, etc are present and then discuss them amongst the research team in an effort to make ethical considerations for the town moving forward (Anderson, 2007). A satisfactory thematic content idealistically analyses and portrays the interviewees thoughts, opinions, and feelings in a way in which the researchers are able to remain objective throughout the entire process. Deciding the nodes that represent the themes throughout the analysis was based heavily on the coding analysis detailed in the coding section and some level of interpretation between interviewees and interviewers (Anderson, 2007). As Anderson (2007) details, the thematic content analysis is not a sufficient singular way to fully understand and describe every citizens feelings objectively, but given the brief window of time to work within the town and given our lack of knowledge of the area prior to the

research teams arrival in Skagaströnd, this method is an adequate way to gain a mass amount of information and understanding in a short amount of time (Anderson, 2007).

3.2.3. Mapping

It is very important to understand the spatial distribution of different objects from the study area. After participant observations and the analysis of online data, the map of different service places was made, also using the photos which were taken during participant observations. Another map showing the place attachment objects was created after analysing the data of the interviews. To create the maps we used ArcGIS Pro.

3.3. Ethics and positionality

This chapter will look at the ethical considerations and positionality of the research group. It is important to be aware of both ethics and positionality, as it can impact the research's course and even the results. For this research, we used the ethics code of the American Association of Geographers (AAG, 2021). It includes general principles that help do the research in an ethical way, most importantly - focusing on not doing no potential harm while conducting the study and beyond that, so as to ensure that other researchers are welcomed to the community in the future.

As we are doing research in a small community, it is extra important to understand the dynamics of the town and how our research could impact the people living there. Because of the nature of this research, we, as researchers, cannot assure complete anonymity of the townspeople that we interviewed. However, to limit recognition of interviewees, the questions and topics discussed further in the results chapter are not of sensitive

nature, and we chose not to include any specific identifiers that might jeopardise a person's identity. The data collection methods that were used eliminated the concern of confidential data leaking, as the interviews were not recorded, but only written notes were taken, paraphrasing what was told in the writing process. Qualitative research is subjective by nature as it is based largely on the interpretation of the researcher (Ratner, 2002).

A considerable part of the results and how they were gathered, interpreted and analysed further in the report was dependent on our backgrounds prior to doing the case study. Considering positionality and how it impacts results of any research is as important to acknowledge as the analysis itself.

All of our team's researchers come from different countries, where we grew up in differently populated areas. Our interests and backgrounds in the studies we have done so far, impacted how we viewed and continue to view Skagaströnd, how we interviewed the locals and afterwards wrote the report. In a way, the differing perspectives on research work helped us enrich the research process.

3.4. Limitations

Besides ethics and positionality, we acknowledged some of the limitations that came up during our research process. One of the major ones that we considered is time or a lack thereof. The period of time that was allocated to us for the stay at the case study field to gather data was incredibly short for the research topic we were assigned to cover, or at least, it was not enough to go in depth. Like Ásrún, the community leader in Hrisey, said, when arriving at a new place, foreigners first meet those who want to talk. We also did not have much time to understand the concept of "smart shrinkage" on how it relates to this study and other theoretical perspectives that would have helped us further in the data analysis and result output.

While we were in Skagaströnd, it was Whit Monday. This meant that the makeup of people in the town had changed during the weekend in comparison to a regular day. This meant that potentially there would be more people to talk to, however, they might not be permanent residence of the town.

A couple important places of gathering were not accessible, like the town's only restaurant *Harbour*, which was only first opened after winter on the day we had to leave, and the library was closed due to the person running it being out of town.

Lastly, we could not manage to get a hold of some important actors in the town, like the mayor, and also the people that might not be as active in the community. There were at least two explicit cases when the locals did not feel comfortable speaking in English and we could not talk to them further. We suspect that the language barrier could have also changed what information we got during interviews.

4. Results

Throughout the 34 interviews that we conducted, we recognised recurring themes that came up in conversation and places that the community is attached to, or spaces that are used for community life. Lived spaces were also apparent in our observations. With that, there were 4 impromptu conversations conducted that had no identified themes relevant to the study of the community (subjectively).

4.1. Themes extracted from conversations

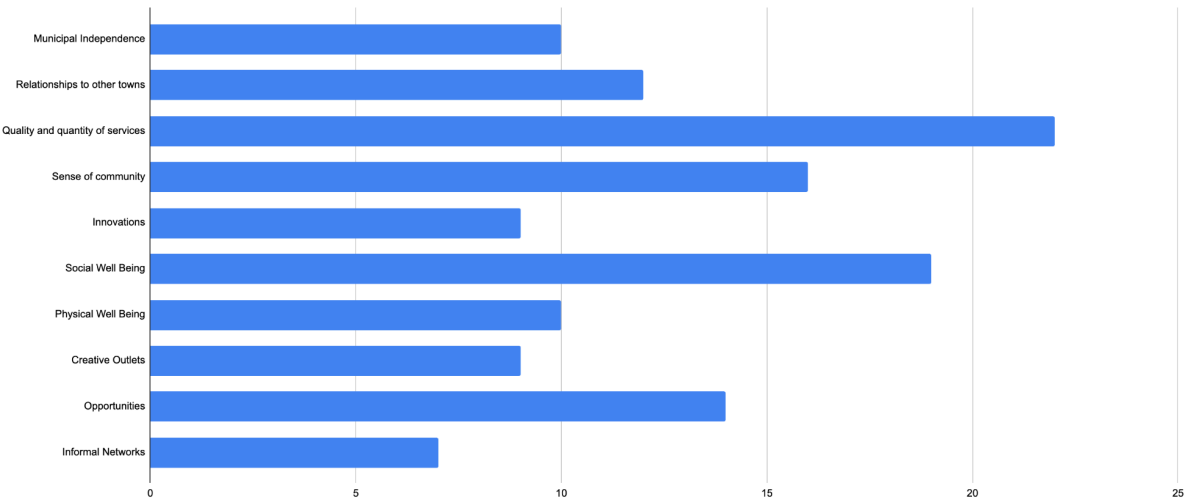


Fig.7: number of interviews in which these themes were mentioned

The themes that we identified as relevant aspects of many of the conversations we've had, are municipal independence, relationships to neighbouring towns, quality and quantity of services, sense of community, innovation, social wellbeing, physical wellbeing, creative outlets, opportunities, and informal networks.

Quality and quantity of services:

The services and infrastructure available to those living in the municipality was the most addressed theme between all 34 interviews with a total of 22 mentions. The context in which quality and quantity of services was addressed was subjectively put into positive or negative terms by interviewees. In conversation with the townspeople, this theme was drawn upon in relation to the general amount of services provided throughout the past, present, and future; this theme was drawn upon in relation to the need for further services and reliance/potential reliance on other municipalities; this theme was drawn upon in terms of developmental growth and attaining a self sufficient nature amongst the organisations in the community. To further explain, in a conversation with an invested community member, it was mentioned that in the past Skagaströnd was the country hub of Iceland with a local country bar, a local swimming pool for community members, a local library and school in the town. Nowadays additional services include a pharmacy, gas station, grocery chain, and an electric vehicle charging station. In the future, educators at the local school suggest further development of technological studies via virtual reality and studying artificial intelligence software will be conducted. In addition to this, current organisations in the town like bio-pol and the NES artist residency may lead to providing future services moving into the town like arts and culture galleries or creative innovation spaces, et cetera.

In terms of quality and quantity of services in relation to lacking services and dependence on neighbouring municipalities, the healthcare systems came up as a constant point in several conversations. Specifically, the requirements for pregnant women and mothers (detailed by a currently pregnant woman and mothers during the interview process) to have to travel 15 minutes to Blönduós and subsequently 2 hours to Akureyri for checkups was an example of lacking immediate services. The local retirement home expressed concern for lack of funding, which meant that

they could not host more residents even though they could, and had an unsure outlook on the future of the establishment. Other than healthcare, the reliance on Sauðárkrókur for entertainment and social circles, the reliance on Blünduos for family recreation activities, and the reliance on Akureyri for affordable food/groceries were all mentioned by several community members.

Lastly, when the interviewees spoke of the quality and quantity of services, the development of the community and want for self sufficiency was addressed by several stakeholders. For example, several business owners stated that they wish to grow sustainably as a community in which they can have year-round services for the residents without the need to close seasonally due to financial constraints and a wish for the community to attract enough working-aged people to fill all of the jobs in the town.

Social wellbeing

The social wellbeing of those living in the municipality was the second most addressed theme between all 34 interviews with a total of 19 mentions. The context of social wellbeing being discussed by the interviewees included both positive, negative and mixed perceptions of one's social wellbeing in Skagaströnd. The theme of social wellbeing was often mentioned in the interviews in terms of existing familial structures and roots to the community; the theme was often mentioned citing a certain lack of social crutches/social fulfilment for various reasons; the theme of social wellbeing was often mentioned in the interviews in terms of pre-existing volunteer groups/clubs becoming social hubs for citizens.

A specific example of existing familial bonds positively affecting social wellbeing being referenced in the interviews includes a statement from a local business owner explaining how they are socially fulfilled in Skagaströnd through the presence of their immediate and some extended family living in the community. To further this example, a newcomer to

Skagaströnd mentioned in an interview that they had moved to Skagaströnd entirely because of their sibling living in the community as well.

Several interviews also outlined the lack of social fulfilment in Skagaströnd for several different reasons. The most common reason for this lack of fulfilment was well detailed by a local community member in an interview stating that their son is struggling socially because of a lack of available social options in the town. In this example, this individual cites that because the son doesn't like the same pastimes as the only other two male children in the community around his age, then he has no choice but to seek out social fulfilment from outside the community somewhere.

Lastly, existing clubs, volunteer groups, or unions that traditionally wouldn't be used as social outlets are actually seen as a viable option for the fulfilment of social wellbeing amongst the community members. For example, several members of the community stated in interviews that they use the search and rescue association as a social outlet rather than just a traditional volunteer group. Lots of individuals mentioned how a majority of adults in the community are involved in the search and rescue in some way while others might be interested in joining the church choir (even if they are not strictly religious), some might be interested in joining the women's union (even if they are not particularly passionate about unions), or some might be interested in joining a cultural group such as the knitting club (even if they are not particularly interested in knitting).

Sense of community

The citizens' of Skagaströnd reference their general sense of community in the municipality positively, negatively, and as a mixed bag. This theme was the third most addressed after all 34 interviews were conducted with a total of 16 mentions. As a generalisation, the feeling that comes with a sense of community in Skagaströnd seems to vary from person to person

depending on that individuals existing social networks, depending on how long the individual has lived in the community, and, depending on if they exist as a family unit in Skagaströnd, there seems to be a perceived social crutch stemming from families supporting each other and meeting via the school system per multiple interviewees. Direct examples of the theme 'sense of community' found in the interviews in terms of individuals having an existing social network can be best defined by the locals that told us they have a positive sense of community gained from the close knit nature of the town, the presence of their family members, or because of the clubs they take part in. Additionally, some individuals had experienced a negative or mixed sense of community because their social circles are smaller in Skagaströnd and everyone is aware of your ongoing affairs.

If one were to look at the theme of sense of community in terms of the interviews conducted, how long an individual has lived in a town or community can be very influential on their impression of said theme. Specifically, interviews showed us that one participant felt little to no sense of community outside of their close friends and family as they are a professional working in the town and have no agendas or timelines to meet people like an artist from an artist residency typically would. A more positive spin on the sense of community in this context was that one interview participant who had lived in Skagaströnd for years stated he felt a great sense of community through place attachment and historic familial bonds.

Lastly, a sense of community was brought up by several members of families that have kids in the school system during the interview process. Additionally, members of society who are aware there is a sense of community between families in the community who have kids in the school system also raised this point during the interview process. An example of this network of community members includes a carpool to Blönduós for sporting events where all kids get to intermingle and parents sort of meet each other.

Opportunities

Identified opportunities that have been highlighted by the interviewed citizens in the municipality during the research collection process was the fourth most addressed theme between all 34 interviews with a total of 14 mentions. Given that, some examples to be drawn from the interviews to show some of the identified opportunities in Skagaströnd include interview participants (in this case a business owner) finding gaps in the existing knowledge systems throughout the town which can lead to innovative or creative opportunities. For example, some tangible opportunities addressed in the interviews were related to existing businesses creating a new product in the town and organisations such as the NES artist residency program developing further opportunities for creative people or Bio-pol putting value into research and development to address gaps in the marine biotechnology industry. To be a bit more specific, Bio-pol is currently working on an organic dye project made from marine bio organic materials, an interviewed community member stated they would like to see NES grow to become financially sustainable and fully profitable to further benefit the community (this idea was backed by interviewed NES representatives as well stating they wish to improve their online infrastructure, etc).

Further opportunities are apparent in Skagaströnd given the interview process, specifically several interviewees mentioned gaps in the existing housing market that need to be addressed, one person mentioned that when they moved to the town in 2020 there was only one apartment available. Funding is certainly a barrier to creating housing in Skagaströnd as the price for building houses in this area is significantly more expensive than buying a home per an interview conducted with a resident. The general impression through the interview process is that the existing population doesn't wish to give up or sell their homes on a formal housing market. Larger developments could help to create more housing

provided they can be funded by larger governments or investors, several impromptu conversations mentioned the idea of the 'harbour hotel' project (a hotel built in the place of the empty eagle brand fish processing factory location) and even some talk of a spa in the harbour, with both projects focusing on the idea of making the town sustainable through the development of business rather than developing strictly for tourists.

Relationships to neighbouring towns

Relationships with neighbouring towns that surround the municipality was the fifth most addressed theme between all 34 interviews with a total of 12 mentions. The town that came up most frequently was the neighbouring community of Blönduós. In Blönduós, there are more diverse services provided to the locals of the community, and for example the doctor and police that service Skagaströnd come from Blönduós. The identities of the towns were also highlighted as Blönduós has a history of being a farming community while the community of Skagaströnd has the reputation of a historic fishing community. The talk of the neighbouring towns is quite interesting and deeply related to the following node 'municipal independence'. Relationships between towns were perceived as negative by some, positive by others, and mixed by a few people as well. Some examples include perceptions of Blönduós as a place that doesn't understand the nuances and details related to being a fishing community. Or, on the other hand, there was an interview stating that the towns should merge to give residents of Skagaströnd a bigger seat at the table and more access to infrastructure (ideally).

The other neighbouring town Sauðárkrúkur was mentioned as well, and it seems there is a lack of trust between the towns due to past agreement on services and ownership was not fulfilled.

Municipal independence

The independence of the municipality was the sixth most addressed theme between all 34 interviews with a total of 10 mentions. Citizens of Skagaströnd are perceived as resilient people from some interviewees perspective with several interview participants referencing innovative ideas and interests associated with the continued sustainability of the community. This is supported by several interviews detailing the history of Skagaströnd and the community's many attempts to create industry where gaps lie - and to no surprise, in a town with so few people, there were plenty of ways to be innovative and creative detailed by interview participants. Municipal independence is interesting because of its relationship with the other themes listed. Several interviews detailed the many times communities such as Blönduós were interested and attempted to merge municipalities with Skagaströnd. However, throughout the completion of the interview process the research team became aware that a sort of informal convenience based merging had already occurred between Skagaströnd and the other surrounding communities. The interviews state that necessary services like healthcare, driving and transportation networks, food security, entertainment, social fulfilment can all be achieved through the understanding of informal or semi-formal networks between Skagaströnd and the surrounding areas. The research team then derived that in a general sense, borders in Skagaströnd and the town's municipal independence is somewhat symbolic to uphold culture and history as everyone is already taking advantage of the nearby services anyways (refer to discussion section for further discussion on this topic).

Another way in which the theme of municipal independence was addressed in the interview process was the idea of a non-tourism dependent community. Several interviewees suggested they prefer a town that has financial independence, enough workers to support services, and

growth of industry and job opportunities in all sectors rather than a strictly tourist seasonal-visit dependent community.

Physical wellbeing

The wellbeing of citizens from a physical context such as safety and general health was the seventh most addressed theme between all 34 interviews with a total of 10 mentions. In a general context the interviewees who mentioned this theme gave similar examples of their children being able to freely roam in the community without supervision as a positive indicator of their feeling of safety and security in Skagaströnd. The fostering of a sense of physical wellbeing in the community was additionally mentioned within the context of healthcare as well. Specifically, (as already outlined) several interviewees in the healthcare sectors mentioned that the infrastructure of the once-a-week doctor visits are adequate but the reliance on the neighbouring communities becomes more necessary with the healthcare status quo.

Innovation

Previous innovations that have been introduced in the municipality was tied as the eighth most mentioned theme between all 34 interviews with a total of 9 mentions. Throughout the interview process the research team gained significant knowledge of the history of Skagaströnd - especially from longer form interviews with longstanding citizens of the community. To summarise the research team's newfound understanding of innovations in Skagaströnd we start with innovations in terms of the primary sector (specifically, fishing) which include: a fin fish processing plant, a shrimp factory (which we found out subsequently holds the record for the largest seafood pizza ever made), two locally owned fish trawler through community held shares, and the first ever fish freezing/processing vessel in Iceland. Following the ebbs and flows of the fishing industry (which still exists today in a different capacity of one long line trawler and several

locally owned vessels), several creative innovations were attempted in the community including a shoe factory, tweed factory, and even some experimental fishing. In a modern context, the influx of community funds after the loss of the community trawler led to several creative innovations in the community around the late 2000s/early 2010s. This included the museum of prophecies, the bio-pol marine biotechnology company, and the NES artist residency.

Creative outlets

The theme of creative outlets tied as the eighth most addressed theme between all 34 interviews with a total of 9 mentions. There seems to be a strong connection to creative endeavours in Skagaströnd which is demonstrated for example by the development of the NES artist residency, a play being written and performed by the community members as well as some acting carried out in a short film, and the existence of art installations around town. Two interviewed artists mention that they get to work in Skagaströnd and decompress a bit by enjoying the hustle free atmosphere. One artist specifically stated that skagaströnd had enough essential services for a young adult to be fulfilled and stated in the interview process that they were motivated to create because of the rural lifestyle. Creative outlets such as a space like NES that encourages artists to move to Skagaströnd temporarily (1 to 3 months usually as indicated in the interview process) is indicative of the town attempting to foster a creative environment for outsiders as well as local residents. The existence of the artist residency (as mentioned) also benefits the residents. Per the interviews, one community member stated that the relationship between the local school and the artist residency helps to broaden perspectives of the local school children and then subsequently encourages families to take part in things like open houses, etc.

Informal networks

Informal networks that exist throughout the municipality were expectedly the ninth most addressed theme between all 34 interviews with a total of 9 mentions. This was expected by the research team given the networks are indeed *informal* and as outsiders with a small window of time to conduct research, we anticipated that people may not be comfortable with sharing or discussing these topics in an interview setting. Informal social networks in rural communities are important and necessary for employment, capital, and further opportunities for individuals trying to foster a sense of belonging or build ties within a community (Beimer, 1997). An example of an informal network identified in Skagaströnd during the interview process cannot be disclosed due to ethical confidentiality.

4.2. Place attachment

Our interviews and conversations revealed many places in the case study site that could be described with the concept of place attachment, through which we showcase places that the local community seems to have developed an emotional bond with. In addition, through our observations we located lived spaces in the community by identifying public places of gathering. These places are visualised on a map in figure 8.

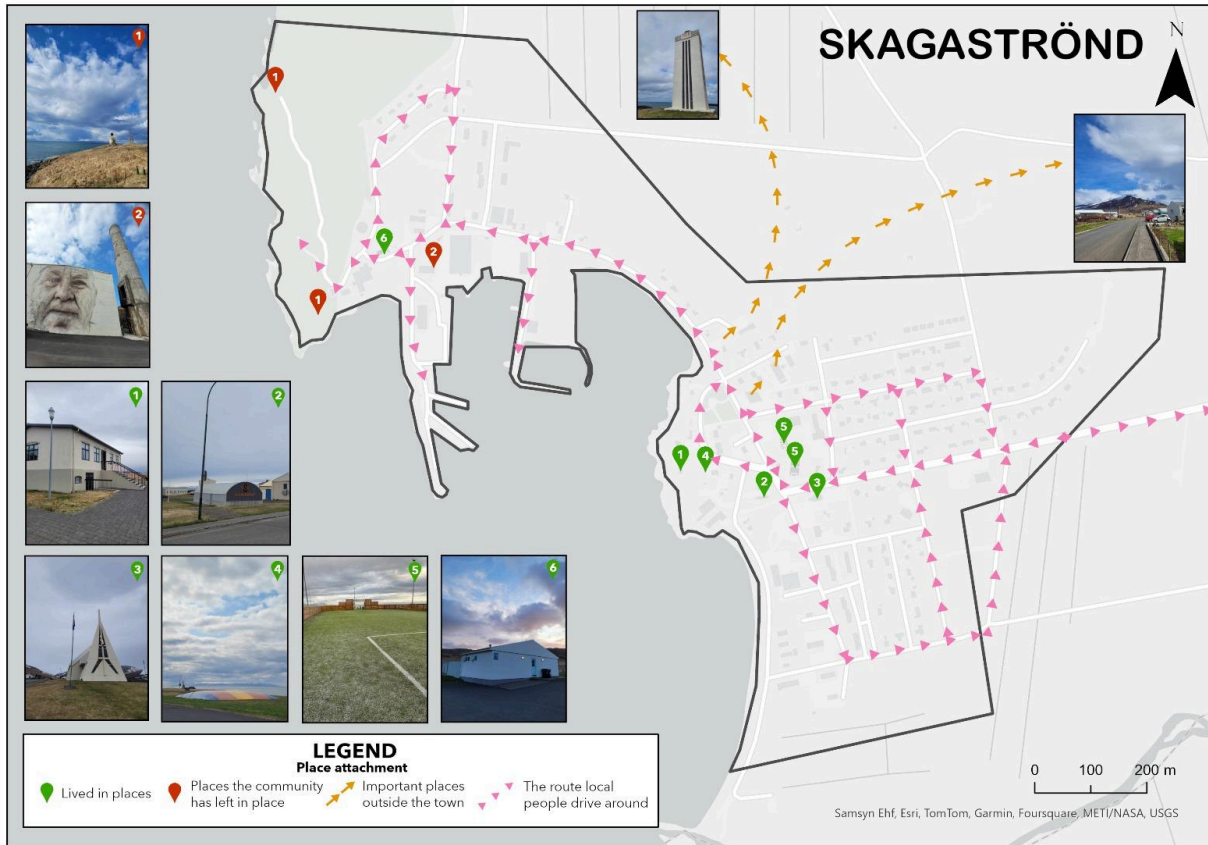


Fig.8: Map of lived spaces and places of attachment

The mountain Spákonufell that oversees the town seems to be an important physical factor that provides aesthetic values as well as recreational, and that also carries social meaning through the stories surrounding a local historical figure Þórdís the Prophetess linked to it.

Some structures, such as navigational markers (1) and the old factory chimney (2), have been left in town possibly due to their historical significance to the local identity as a traditional fishing town, although they no longer carry a function.

On the map we also marked a route that seemed to have recreational car activity, which was confirmed by some informants who explained that

driving around town is a popular activity for younger people in town. This was described as something that they do since there is not much else to do, but also as a cherished activity.

5. Discussion and conclusion

In this section we link theoretical concepts and previous research to our analysis, and furthermore expand the results of the thematic analysis.

Originally, this research project wanted to explore the idea of smart shrinkage in Skagaströnd, Iceland. However, with the theoretical concept of smart shrinkage being defined as the local citizens invested interest in continuously managing population decline and resources in their locality to smartly prepare for (seemingly) the death or significant decline of their community - the research team quickly found out that the ethics behind asking these questions to community members as outsiders was unacceptable. Especially because we found out during the interview process that the town is entirely unaware of the concept and the locals are planning for some form of a sustainable or slow growth model per several interviews with stakeholders, business people, etc.

Strong place attachment builds social resilience and in the case of Skagaströnd previous studies already found that the people-place connection is strong in the community (Kokorsch, 2017). Similar sentiment can be derived from this study since a major theme was the strong community feeling, networks and family ties that made the community close-knit. Although this detriment was not echoed in all interviews, since having family ties to the area seems essential for the feeling of belonging.

As other coastal communities in Iceland may replace their lost revenue in fishing by attracting more tourists, Skagaströnd does not seem to rely on increased tourism when it comes to the economic wellbeing of the town. This can be seen as a factor that builds resilience, since tourism is an unstable industry especially due to recent events such as the pandemic and future predictions of the effects of climate change especially on coastal areas (Jarrat & Davies, 2019; Estiri, Heidary Dahooie & Skare, 2022).

For rural communities in general, the loss of young adults is detrimental to the development of the community (Atkinson, 2019). In some ways this is inevitable since possibilities for education are limited in small towns such as our case study site. The scarce possibilities of recreational activity for teenagers and young adults was identified when lack of services were discussed. This could then lead to other problems such as underage drinking, although another source cited the community as a controlled environment where underage drinking is not an issue. The possibility of returning after finishing higher education can be more likely if there is a diverse job market and priorly formed place attachment.

Even though Skagaströnd is known across Iceland for its strong will to remain an independent municipality, not everyone in the community is against the merger. One could argue that Skagaströnd in fact hasn't been independent for a while now, and that merging with the neighbouring municipalities has already happened on many levels. In terms of health care Skagaströnd is connected to Blönduós, which is where the doctor that visits the community once to twice a week is located, and to Sauðárkrókur, which is where the prescription medication needed by the community comes from once a week. In terms of recreational activities, teenagers frequently visit Sauðárkrókur to go to the cinema, or Blönduós because of its bigger pool. Many kids from Skagaströnd take part in freetime activities, such as dance classes in Blönduós. To save money on groceries, and/or for a wider selection of products, it is common for residents of

Skagaströnd to drive to the surrounding towns, or even all the way to Akureyri and do their shopping there.

Conclusions

In the beginning of this paper we asked

1. How do long-term residents and newcomers feel about the present state of Skagaströnd?
2. What is their outlook on the town's future in terms of social structures, population density, economic development, and cultural identity?

What we found was that especially services, social well being and sense of community were highly discussed topics from varying perspectives. It seems that the family connections are important to positive feelings towards the town. Having family ties is of course not essential, since newcomers also expressed many positive feelings. Services are an important topic since small communities can't take them for granted. Yet it seems that there is overall contentment with services provided by the town and acceptance of the reality that you may have to travel for some necessities and cultural or recreational entertainment.

As for the future, even though Skagaströnd is known across Iceland for its strong will to remain an independent municipality, not everyone in the community is against the merger. One could argue that Skagaströnd in fact hasn't been independent for a while now, and that merging with the neighbouring municipalities has already happened on many levels. In terms of health care Skagaströnd is connected to Blönduós, which is where the doctor that visits the community once to twice a week is located, and to Sauðárkrókur, which is where the prescription medication needed by the community comes from once a week. In terms of recreational activities, teenagers frequently visit Sauðárkrókur to go to the cinema, or Blönduós

because of its bigger pool. Many kids from Skagaströnd take part in freetime activities, such as dance classes in Blönduós. To save money on groceries, and/or for a wider selection of products, it is common for residents of Skagaströnd to drive to the surrounding towns, or even all the way to Akureyri and do their shopping there. To summarise, the ideas of municipal independence and the borders across the town may be seen as symbolic in nature as time passes. Specifically because these towns have already 'merged', not in terms of finances and servicing each other via the same municipal government, etc. but, the neighbouring towns' informal merging to satisfy all citizens' wants and needs is very much present and found throughout the entire interview process. The result of the research question asking 'what is the outlook on the town's future in terms of social structures, population density, economic development, and cultural identity?' being this finding of informal convenience based merging might be able to be studied in several rural municipalities across Iceland as a potential framework for further research.

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