

**SOCIAL CONNECTION AND URBAN FABRIC IN REYKJAVIK
AT THE DAWN OF THE GLOBAL ECONOMIC DOWNTURN**

a BA Thesis presented by Pedro Precedo

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SOCIAL CONNECTION AND URBAN FABRIC IN REYKJAVIK AT THE DAWN OF THE GLOBAL ECONOMIC DOWNTURN

Introduction.

The 2008 Icelandic Financial Crisis.

In the year 2008, a Global Economic Recession ramped throughout the industrialized world. It has been qualified as Global Economic Downturn. Contributors to this downturn included high oil prices [01]IMG01, high food prices, a substantial credit crisis leading to the drastic bankruptcy of large and well established investment banks as well as commercial banks in many nations around the world. This crisis has led to increased unemployment and other signs of contemporaneous economic downturns in major economies of the world.

In Iceland, the crisis involves the collapse of all three of the major banks in the country following their difficulties in refinancing their short-term debt and a run on deposits in the United Kingdom. All in all, Iceland's banking collapse is the biggest, relative to the size of an economy, that any country has ever suffered [02]. This financial crisis has had serious consequences for the Icelandic economy. The national currency has fallen sharply in value, foreign currency transactions were virtually suspended for weeks, the market capitalisation of the Icelandic stock exchange has dropped by more than 90%, and a severe economic recession is expected.

On October 2008, the Icelandic government raised interest rates to 18%, a move which was forced in part by the terms of acquiring a loan from the IMF. After the rate increase, trading on the Icelandic Crown finally resumed on the open market, with valuation at around 250 ISK per Euro, up significantly from a 1:150 ratio the week before and around a 1:70 ratio during most of 2008.

[01] http://en.wikipedia.org/wiki/Oil_price_increases_since_2003

[02] http://www.economist.com/world/europe/displaystory.cfm?story_id=12762027

The current economic climate in the country has affected many Icelandic businesses and citizens. Since October 9, the number of unemployed individuals in Iceland has increased by 2,839. Comparatively, many more men have lost their jobs than women considering that mass layoffs have been more common in typical male professions, like construction [03]. The Icelandic Crown depreciated and the exchange rate index surpassed 250 points for the first time. At one point, one US dollar was worth almost ISK 150 [04]. The number of passengers travelling through Iceland's international airport in Keflavík dropped by 36 percent in November compared to the same month last year. Icelanders travelling through the airport have decreased by 50 percent [05]. According to a new opinion poll by market research company Capacent Gallup, Icelanders have not been as pessimistic since the company began developing its expectation index seven years ago [06].

More than a 100 people lost their jobs on January 1st 2009 and 1.100 more will lose their jobs at the end of January following further mass layoffs and around 400 more at the end of February. In 2008, almost 5,100 people lost their jobs in mass layoffs, 60 percent of which took place at the end of October. The Directorate of Labor estimates that 80 to 90 percent of these layoffs were undertaken at companies in the capital region [07].

People are leaving the country. According to polls, 32.5 percent of participants, ages 18-75, have considered moving away from Iceland because of the current economic crisis. Around 50 percent of participants aged 18-24 said they were considering relocating to a foreign country. The percentage dropped among higher ages of participants [08]. In December 2007, the unemployment rate only measured 0.8 percent, Morgunbladid reports. The rate is expected to increase to 5.7 percent in 2009 [09].

[03] http://www.icelandreview.com/icelandreview/daily_news/?cat_id=16567&ew_0_a_id=315685

[04] http://www.icelandreview.com/icelandreview/daily_news/?cat_id=16567&ew_0_a_id=316368

[05] http://www.icelandreview.com/icelandreview/daily_news/?cat_id=16567&ew_0_a_id=316513

[06] http://www.icelandreview.com/icelandreview/daily_news/?cat_id=16567&ew_0_a_id=316003

[07] http://www.icelandreview.com/icelandreview/daily_news/?cat_id=16567&ew_0_a_id=317798

[08] http://www.icelandreview.com/icelandreview/search/news/Default.asp?ew_0_a_id=314628

[09] http://www.icelandreview.com/icelandreview/search/news/Default.asp?ew_0_a_id=317144

Prime Minister Geir H. Haarde admits in an interview with British magazine *Monocle*, published in the February 2009 issue, that he is concerned about the young generation of Icelanders leaving the country because of the crisis [10] and according to Vífill Karlsson, a lecturer at the University of Akureyri, northeast Iceland, people have stopped moving from towns and villages in countryside Iceland to the capital region, and in some areas migration patterns have now reversed [11].

Final IMF approval of a US\$2.1bn loan to Iceland marks only the first step in restoring the country's credibility in international markets. Supported by additional loans from a number of countries, the IMF package should help to restore some stability to the Icelandic currency and shore up the country's financial system, but the risks still facing the debt-burdened economy are immense [12].

[10] http://www.icelandreview.com/icelandreview/daily_news/?cat_id=16567&ew_0_a_id=318207

[11] http://www.icelandreview.com/icelandreview/daily_news/?cat_id=16567&ew_0_a_id=318147

[12] http://www.economist.com/agenda/displaystory.cfm?story_id=12666594

Reykjavík.

The Urban Fabric.

Reykjavík is the capital and largest city of Iceland. Its latitude at 64°08' N makes it the world's most northern national capital. Due to its location, only slightly southern of the Arctic Circle, it receives only four hours of daylight on the shortest day in the depth of winter while during the summer the nights are almost as bright as the days. With a population of around 120.000 in the City itself and over 200.000 in the Greater Reykjavík Area, the only metropolitan area in Iceland, Reykjavík is the heart of Iceland's economic and governmental activities.

Reykjavík is believed to be the location of the first permanent settlement in Iceland, which Ingólfur Arnarson is said to have established around 870. Until the 18th century, there was no urban development in the city location. The city was founded in 1786 as an official trading town and grew steadily over the next decades, as it transformed into a regional and later national centre of commerce, population and governmental activities. It has continued to see population growth in past years as well as growth in areas of commerce and industry.

But, while most of the other European cities, and especially capitals, had been grown through history under all kind of conditions and circumstances, where the mixture of functions and typologies is an essential characteristic and where all kind of human activities, living, working, services, leisure, had naturally grown through necessity and demand, through trial and error, often at the same street, sometimes at the same building, the case of Reykjavík, where functions and typologies were clearly separated deriving in an important loss of complexity and historical presence, of social opportunities and urban permeability, could be considered quite particular due to a couple of circumstances, the short amount of time and the time itself in historical terms.

In the 1920s and 1930s most of the growing Icelandic fishing trawler fleet sailed from Reykjavík and salt-cod production was the main industry but the Great Depression hit Reykjavík hard with unemployment and labour unions struggles that sometimes became violent. At that time, the population of Reykjavík was of around 25.000 and the population density was of around 140 inhabitants per hectare [01].

In the morning of May 10, 1940, following the German occupation of Denmark on April 9, four British warships approached Reykjavík and anchored in the harbour. In a few hours, the allied occupation of Reykjavík was complete. The Icelandic Government had received many requests from the British Government to consent to the occupation, but they always declined on the basis of the Neutrality Policy. For the remaining years of World War II, British and later American soldiers built bases in Reykjavík. The number of foreign soldiers in Reykjavík became about the same as the local population of the city. The economic effects of the occupation were quite positive for Reykjavík. The unemployment of the depression years vanished and a lot of construction work was done. The British built Reykjavík Airport, which is still in service today, mostly serving domestic flights. The Americans built Keflavík Airport that later became Iceland's primary international airport, situated 50 km from Reykjavík. In 1944 the Republic of Iceland was founded and a president elected in popular elections replaced the King. The office of the president was placed in Reykjavík.

In the post-war years, the growth of Reykjavík accelerated. After the military left, many of the barracks were used as flats as the influx of British and American money had created a bonanza [02] that drew a mass exodus from the rural countryside, largely due to improved technology in agriculture that reduced the need for manpower, and because of the population boom resulting from better living conditions in the country. Young people looking for an opportunity to improve their lives were the largest group to move to the capital. A once primitive village was rapidly transformed into a modern city.

[01] Sigurdsson, Haraldur. Reykjavík 2040. Planning and Building Department. 2008, Reykjavík. Page 7

[02] Valsson, Trausti. Planning in Iceland. University of Iceland Press. 2003, Reykjavík. Page 132

Reykjavík has today a population of over 200.000 in the Greater Reykjavík Area and the population density varies from around 65 inhabitants per hectare in the densest downtown areas of Reykjavík and Hafnarfjörður to around 35 inhabitants per hectare when we include all the seven independent municipalities that configure the Greater Reykjavík Area [03]IMG02. If we take into account that this barely 60 years after WWII had been probably the most stable in western culture, with a total absence of serious conflicts or wars involving different nations, a lack of global disasters as droughts, famines, plagues, etc, and a sometimes bumpy but overall fairly stable economic growth is easy to understand how the population of Reykjavík has increased by 8 times and the population density has decrease by 4 times.

In historical terms, this transformation coincides with the rampage all over the western culture of the principles of functionalism and modernism both in Architecture and Urban Planning.

In Reykjavík, the initial complexity was swept away by the functionalism principles and car culture. One of the principles of modernism was zoning, the separation and differentiation between space to live and space to work, heritage of the Industrial Revolutions and the Garden Cities movement born in the United Kingdom to provide citizens, especially factory workers and their families, with healthier living conditions. Once the separation between working space and living space was established, and in a brand new technological setting, modernism began to surface. The modernist city stood for the elimination of disorder, congestion and the small scale, replacing them instead with preplanned and widely spaced freeways and tower blocks set within gardens [04].

[03] Sigurdsson, Haraldur. Reykjavík 2040. Planning and Building Department. 2008, Reykjavík. Page 7-15

[04] http://en.wikipedia.org/wiki/Urban_planning#History

In the early years of the 20th century, Chicago architect Louis Sullivan [05] popularized the phrase 'form follows function' to capture the belief that the size of a building, its mass, its spatial grammar and other characteristics should be driven solely by the function of the building. The implication is that if the functional aspects are satisfied, architectural beauty would naturally and necessarily follow [06]. In the same line of thought, the modernist vision of Le Corbusier [07], that once described buildings as 'machines for living', segregated pedestrian circulation paths from the roadways and glorified the use of the automobile as a means of transportation [08], it was primarily driven by technological and engineering developments and the availability of new building materials such as iron, steel, concrete and glass that drove the invention of new design techniques as part of the Industrial Revolution.

After the war, the dominant housing types in new residential districts were town houses with two to four flats and in the 1950's and 1960's few high rise, 8 to 12 storeys, apartment buildings were built. These new housing forms were brought to Iceland by many new architects educated in Nordic and other European countries. The high rise ideology can be traced to Swedish suburbs, such as Vällingby, outside Stockholm, influenced by Le Corbusier [09]. Areas of the city were chosen for exclusive industrial use and the road system was categorized accordingly to the principles of functionalism and the first detached neighbourhoods were born. Reykjavík grew according to modernism imposed segregation principles and grand plans.

In 1960 the city council of Reykjavík decided that a comprehensive plan should be developed for the city. Part of the 1960 proposal involved permission to hire foreign planning consultants to guide city officials in preparing the plan. Two of Denmark's best known experts in physical planning were hired. These men introduced to Icelandic professionals the newest planning ideology, the systematic planning approach [10].

[05] http://en.wikipedia.org/wiki/Louis_Sullivan

[06] [http://en.wikipedia.org/wiki/Functionalism_\(architecture\)](http://en.wikipedia.org/wiki/Functionalism_(architecture))

[07] http://en.wikipedia.org/wiki/Le_Corbusier

[08] http://en.wikipedia.org/wiki/Le_Corbusier#Forays_into_urbanism

[09] Reynarsson, Bjarni. The Planning of Reykjavík. Borgarskipulag. 2002, Reykjavík. Page 11

[10] Reynarsson, Bjarni. The Planning of Reykjavík. Borgarskipulag. 2002, Reykjavík. Page 12

Private cars became common and modern apartment complexes rose in the expanding suburbs. It made matters still worse that the private car was accorded special privilege and one of the few clear policy statements by the City Council was that ‘... as much recognition as possible should be given to the desire of the people to possess their own car and to be able to go themselves wherever they want’ [11].

The concept of the fully enclosed shopping mall, that appear in the United States during the 1950’s [12] and spread all over Europe during the 1960’s and 1970’s, added to the rise of the automobile culture and the special conditions of its geographic location, supposed for Reykjavík that many activities left the city centre and specialized areas were created to accommodate them. Shopping and leisure, commercial and industrial areas were created and a process of atomization away from the city centre began. This trend drove Reykjavík to lose the functional complexity that the city started developing only a couple of decades earlier.

Because of the increase in private car ownership [13]IMG03 and the creation of specific use areas following functionalistic urban trends, the growth of the city away from the natural centre accelerated, and the development of suburbs was intensified. The automobile and the subsidies for roads and suburban development that supported car culture allowed people to live in low density communities far away from existing services and therefore new infrastructure had to be build.

This new suburbs, designed as residential areas, created very few jobs and people commuted longer distances to work each day to the localized industrial or commercial areas of the city while the suburbs expanded and new commercial developments, such as fast food purchasing and gasoline station grocery shopping appeared and urban sprawl settled.

[11] Valsson, Trausti. Planning in Iceland. University of Iceland Press. 2003, Reykjavík. Page 144

[12] http://en.wikipedia.org/wiki/Shopping_Center#History

[13] <http://www.statice.is/Statistics/Tourism,-transport-and-informati/Vehicles>

Residents of peripheral neighbourhoods tend to live in single family homes and commute by automobile to work. Low population density is an indicator of sprawl. Urban planners emphasize the qualitative aspects of sprawl such as the lack of transportation options and pedestrian friendly neighbourhoods. Conservationists tend to focus on the actual amount of land that has been urbanized by sprawl. Residents of sprawling neighbourhoods tend to emit more pollution per person and suffer more traffic fatalities. Sprawl negatively impacts land and water quantity and quality not to mention that is also linked with increased obesity and the fact that living in a larger, more spread out space makes public services more expensive [14].

It also increases traffic, pollution and reliance on fossil fuels and in personal transportation costs. Residents of low density areas spend a higher proportion of their income on transportation than residents of high density areas. Living in a larger, more spread out space makes public services more expensive. Since car usage often becomes endemic, city planners are forced to build large highway and parking infrastructure, which in turn decreases taxable land and revenue, and decreases the desirability of the area adjacent to such structures. Services such as water, sewers, and electricity are also more expensive per household in less dense areas [15].

[14] http://en.wikipedia.org/wiki/Urban_sprawl

[15] <http://www.smartcommunities.ncat.org/articles/sprawl.pdf> Page 12

Reykjavík.

The Social Connection.

A well-connected individual in a poorly connected society is not as productive as a well-connected individual in a well connected society [01]. Just as Physical Capital, being this a computer or a ballpoint pen, and Human Capital, knowledge and information, can increase both individual and collective improvement, so connections among individuals, Social Capital, affect the improvement of individuals and groups.

Social connections have always been there and are part of our social fabric. Our family, our school friends, our job colleagues, and even our Sunday's noon football team or choir are part of the net we advance through. Our job is most likely to come through whom we know, rather than what we know and our partner is more likely to come to us through somebody we already know than through a casual encounter.

But these social connections are mostly likeminded. In our family, in our jobs, in our Sunday's team the likelihood of that our education, social status, interests, even schedules share many coincidences is higher than they don't, creating small groups that take care and protect each other against exterior agents, making social complexity degrade, the free flow of experiences and information decline and interaction with other groups more and more difficult.

The same happens with the Television and the Internet. While always watching the same TV programs and login in at the same social networks that interest us, we define borders in our view of things, we create social clusters of difficult access and we close our minds to the possibility that something or somebody new to the scene can be of interest.

[01] Putnam, Robert D. Bowling Alone. Simon&Schuster. 2000, New York. Page 20

In a physical community, we are driven to live with people who may differ from us, opening new perspectives. In a more dense urban setting with a good public transportation system and walkable neighbourhoods the chances of meeting new people with other ideas, other interests, culture and skills increase. The chances that you have seen the person you are just talking to for the first time before, that you recognize a face as a inhabitant of the surrounding area, an unknown neighbour, instead of someone that has come from you don't know where, somebody you don't know at all and which intentions you can not suspect, increase, and it creates social trust and increases the sense of security. In a more dense urban setting where faces are recognizable and somebody knows something of somebody is easier to open yourself to interact with new people. If two would-be collaborators are members of a tightly knit community, they are likely to encounter one another in the future, or to hear about one another. Thus they have reputations at stake that are almost surely worth more than gains from momentary treachery. In that sense, honesty is encouraged by dense social networks [02].

From the principles of functionalism and modernism, the segregation and differentiation between space to live and space to work, remains of the industrial spirit so prevalent at the beginning of last century, we spend more and more of our time away from home. We share hours with our colleagues and create bonds, but it takes time out of our family and even of ourselves. As the number of divorces has increased more than double from the 50's decade to the 90's [03] and we are marrying much later, the number of people living alone has increased exponentially, so we spend even more time at work. As more and more people live alone, the desirable effect should have been to move social activities from home into more public settings, but as the setting fails we move them into our work environment, where we feel comfortable. So work takes over our lives and we become what we do.

[02] Putnam, Robert D. Bowling Alone. Simon&Schuster. 2000, New York. Page 136

[03] <http://www.statice.is/Statistics/Population/Marriages-and-divorces>

Because we form such ties to promote the highly secular activities of getting and spending, friendships and connections developed at work are generally assumed to have a more instrumental character: we use people, and they use us, to solicit more business, advance our careers, sell more products, or demonstrate our popularity. Economic ties are therefore often dismissed as not quite real, authentic, or genuine enough. This is a point that can be traced to the great theorist of capitalism, Adam Smith. In 'The theory of Moral sentiments', Smith pointed out that the patron-client relationships associated with feudalism, because they were based on necessity, could not be equated with friendship, a relationship that should be premised on sympathy. Although the implication of Smith's point is that free-market relations will not be characterized by feudalistic necessity, a case could be made that modern capitalism requires that people give to their company, and to their co-workers, not only their physical labour, but their emotional labour as well. If so, it follows that even if the decline of civil ties in the neighbourhood is being compensated by new ties formed at work, the instrumental character of the latter cannot be an adequate substitute for the loss of the former [04].

The disintegration of social bonds is therefore linked with the urban setting in which we are living, as it is with anthropological, economical and social factors. The city reflects our cultural values as much as our cultural values are influenced by our urban fabric.

The actual layout of Reykjavík urban fabric forces us to drive our own private car, decreasing our chances of social interaction, because the public transportation services are not sufficient, regular or dense enough to properly maintain a good flow of users due to the extension and low density of the city itself. The single housing urban developments isolate us even more reducing our neighbourhood interaction to the next lot neighbour. The lack of mixed use types makes our urban experience monotonous and rarely allows the possibility of living and working in a reasonable distance area, therefore we spend most of our time at work and driving between our living space and our working space and family life suffers.

Reykjavík.

At the Crossroad.

More than 60 years had passed since the end of WWII and the devastating effects of the Great Depression. At least two generations had passed and the grandchildren of the ones that build Reykjavík are the ones who are building it now. At the beginning of a new Century, values have changed, technology has evolved enormously and we face different challenges.

Globalization, as the planned breakdown of borders hampering trade to increase prosperity and interdependence thereby decreasing the chance of future war, it has supposed the diminution or elimination of state-enforced restrictions on exchanges across borders and the increasingly integrated and complex global system of production and exchange that has emerged as a result [01]. Advances in communication, transportation and infrastructure improvements are some of the forces through which the living cultures of the world are changing and adapting.

Beginning 2009, the world as a whole faces an un-precedent situation. The United States jobless rate rose to 7.2% in December 2008, the highest in 16 years. More US workers lost jobs last year than in any year since World War II [02]. On November 6 2008, the IMF at Washington, D.C., launched numbers predicting a worldwide recession by -0.3% for 2009, averaged over the developed economies. On the same day, the Bank of England and the Central Bank for the Euro zone, respectively, reduced their interest rates from 4.5% down to 3%, and from 3.75% down to 3.25%. Economically, mainly the car industry seems to be involved. As a consequence, starting from November 2008, several countries launched large 'help packages' for their economies [03].

[01] <http://www.cato.org/pubs/letters/palmer-catoletters.pdf>

[02] <http://news.bbc.co.uk/2/hi/business/7820164.stm>

[03] http://en.wikipedia.org/wiki/Financial_crisis_of_2007-2008#Official_prospects

Iceland, and Reykjavík as its economic heart, with 63% of the country population in the Greater Reykjavík Area [04], will have enormous challenges ahead. Parts of the Icelandic public have arranged protests against the Government, the Parliament and the Central Bank alleged lack of responsibility before and after the crisis.

Economists predict that a minimum of three to five years are necessary for the global economy to reach levels of positive growth and some analysts estimate more than ten years. Iceland faces gloomy days ahead and Reykjavík is at the head and heart of it. Protest and patience are necessary, political solutions are paramount.

Urban solutions must also apply. It is vital that we reconsider our urban fabric and the way we build our city in the light of the recent events. Man made atrocities like wars, and natural disasters, such as hurricanes, fires and earthquakes have historically meant a radical change in the complexity of a given city and, in most cases has supposed a renaissance of the urban environment as a key factor in the stage of city live and social fabric. A disaster has occurred and the city of Reykjavík can hibernate urban development and wait for better times ahead to keep on doing as it has been done so far as soon as economy allows it. Or it well may be time for some self analysis, for some foresight thinking and some radical action. This is the time when Reykjavík can reinvent itself and came out of the Global Economic Downturn in a better position to compete for attention and resources in a globalized world.

How can we create a strong and competitive economy, how can we attract interest, investment, culture and technology? How can we improve our city to compete in better terms with others cities around the world?

[04] <http://statice.is/Statistics/Population/Municipalities>

With urban generation from the turn of the twentieth century picking up, economists forecast that globalization and the powers of multi-national corporations would shift the balance of power away from nation states towards individual cities, which would then compete with neighbouring cities and cities elsewhere for the most lucrative modern industries, and which increasingly in major Western Europe and US cities did not include manufacturing [05].

Thus cities set about 'reinventing themselves', giving precedence to the value given by their culture. With the popular and critical success of the Guggenheim Museum in Bilbao, Spain, by Frank Gehry, in which a rundown area of a city in economic decline brought in huge financial growth and prestige, the media started to talk about the so-called 'Bilbao factor'. A star architect designing a blue-chip, prestige building was thought to make all the difference in producing a landmark for the city. Similar examples are the Imperial War Museum North (2002), Manchester, UK, by Daniel Libeskind, the Kiasma Museum of Contemporary Art, Helsinki, Finland, by Steven Holl, and the Seattle Central Library (2004), Washington, USA, by OMA. [06].

Architect Rem Koolhaas is designing Waterfront City on a 170 hectare artificial island off Dubai. About 400,000 people will live and work in the area; it's part of a larger development that will eventually be home to 1.5 million people. This huge enterprise is expected to take decades. Architect Daniel Libeskind is designing the downtown of Orestad, a 19 hectare five kilometer long urban area south of Copenhagen. Commissioned in 2006, the master plan is expected to take about a decade to complete. In Bilbao, architect Zaha Hadid is redeveloping 60 hectares of a peninsula in the river, a former industrial site. The Zorrozaurre plan will turn the land into an island, with housing and offices following the curve of the river.

[05] http://en.wikipedia.org/wiki/Starchitect#The_Bilbao_Effect_and_the_rise_of_.27wow-factor.27_architecture

[06] http://en.wikipedia.org/wiki/Starchitect#The_Bilbao_Effect_and_the_rise_of_.27wow-factor.27_architecture

Until recently, apart from some notable exceptions, the organization of the space and infrastructure of a city was the field of urban planners, while architects dedicated themselves to the development of the elements that will fill up that space, the buildings. Generally, cities and neighbourhoods developed organically over time. Today, governments and private developers are turning to name brand architects to create plans for space and structures, fabric and types, elaborate designs that can be marketed as the creative expression of an artist.

Reykjavík has attempted to follow this path with the new Concert Hall and Conference Centre being built by the harbour in the downtown area. Renowned artist Ólafur Elíasson [07] in cooperation with Danish architects Henning Larsen Tegnesteu won the competition. The facade of the Concert Hall, a three dimensional mosaic of glass shapes is characterized to be one of the biggest and most spectacular art pieces in the world. The design of the building is influenced by the dramatic landscape and the ever changing colors. The whole area is designed to take on a completely new shape, including a hotel, a Trade Centre, and the new headquarters for Landsbankinn IMG04.

But the recent Financial Crisis has driven the project to a still. Elíasson told Morgunbladid that negotiations on the building are in a difficult stage and that many things are unclear. 'For the first time there is a real danger of negotiations of the continued construction of the building going astray: "I fear that it will lead to us being stuck with a wreck in the city center' [08].

[07] http://en.wikipedia.org/wiki/Olafur_Eliasson

[08] http://www.icelandreview.com/icelandreview/daily_news/?cat_id=16567&ew_0_a_id=317880

The competition is fierce, and with new cities and new markets coming to light, with new economic powers rising and with a growing blurred differentiation between countries and cities, since it is possible to visit most of a city, to become intimate with it, but it will be very difficult to reach the same level of intimacy with a whole country, cities try to surface, to differentiate themselves from their immediate competitors, try to be more competitive investing in culture, knowledge or technology, try to market themselves, as a tourist destination, a shopping destination, an entertainment or cultural destination. Reykjavík could be reborn as a city built on an ideal, on bold imagination.

The choices are there, the mistakes from the past should have been learned and now the moment has come. The image of the tourists waiting in their hotel rooms for the 4x4 vehicle that will drive them to the highlands because they have already seen the city in one single morning is no longer viable. The occasional winter visitors that have to spend most of their time indoors because outside is cold, there is nothing to do and, anyway, there is nobody else out there is not a good promotion tool. The inhabitant of the Greater Reykjavík Area who believes that there is nothing like the suburbs as long as you have a big car and that the downtown area is only a tourist place and the party spot for weekend nights, is not the image we should export.

The tourism industry has been growing for years, and for the first time in a long time they are now projecting a downturn. All over, nations and cities are reacting to this forecasts by increasing their marketing, building infrastructure and making themselves more attractive as destinations. It is a misconception that the Icelandic tourism industry can sit back and enjoy an influx of wealthy travellers [09].

Reykjavík.

Open City.

Reykjavík faces now a very subtle future. Choices are many and there is not much to lose anymore. Hitting bottom has brought a sense of reality. In the words of the artist Snorri Ásmundsson, '2009 will be the year of spiritual awakening for Iceland. The chances we now have are innumerable, and we shouldn't miss them. We need to surrender to our weaknesses and build an ideal society. We should clean away the filth, clean up the garbage and get rid of it' [01].

To develop a more open, dense, friendly and eclectic society, to find the right balance between individualism and a strong sense of community, we need to design the urban frame accordingly. A strong City Centre, a dense urban fabric, walkable neighbourhoods, mixed use types and a strong public transportation system are, as we have seen, basic requirements to create a stronger society.

The regional plan for the Reykjavík Area 2001-2040 from the Planning and Building Department of the city has identified seven planning problems and development trends [02].

7 independent municipalities in one urban area.

No regional authority and lack of cooperation.

Competition in attracting new inhabitants and firms.

Population growth and urban expansion.

Low density development and urban sprawl.

Declining city centre.

Car based transportation system.

[01] http://www.grapevine.is/media/pdf/grapevine_01_2009_online.pdf Page 6

[02] Sigurdsson, Haraldur. Reykjavík 2040. Planning and Building Department. 2008, Reykjavík. Page 6

From these ones, some variables had been altered due to the recent Financial Crisis. Opinion polls in Iceland indicate that one third of the population is considering emigration. Further economic hardship due to (financial) obligations may make that expression of opinion a reality. Meanwhile, many companies are facing bankruptcy and others are contemplating moving their headquarters and operations abroad [03].

If, with a population of 201.389 inhabitants [04], the Greater Reykjavík Area loses one third of its population, it will end up with a number of inhabitants that it is under the actual number of people presently living in the two oldest and most traditional urban nucleuses, Reykjavík and Hafnarfjörður that together hold 145.685 inhabitants [05]. The number of empty households will increase and the city, or parts of the city, due to depopulation, property abandonment and high unemployment rates, could fall into a state of abandonment and disrepair and urban decay will be just around the corner.

The first steps of any possible solution will be indeed political. ‘We need a brave and strong government, instead of the powerless gathering of bureaucrats we now have’ says artist Snorri Ásmundsson [06]. A strong, forward looking, pragmatic government could unify the whole Greater Reykjavík Area under one municipal government. It could impose heavy taxation on privately owned vehicles and invest that revenue into the Public Transport System. It could relocate urban business and industry and establish a net of supply economies like agricultural or fishing industry whose commodities find a market in the city.

[03] <http://www.VoxEU.org/index.php?q=node/2549>

[04] <http://statice.is/Statistics/Population/Municipalities>

[05] <http://statice.is/Statistics/Population/Municipalities>

[06] http://www.grapevine.is/media/pdf/grapevine_01_2009_online.pdf Page 6

With 63% of the total population in the Greater Reykjavík Area and only 5'48% in the next biggest municipality, Akureyri [07], situated 250 kilometres to the NorthEast [08], national and municipal government working together could apply known notions of city-state. Whereas the nation-states relies on a common cultural heritage, be it linguistic, historical, religious, economic, etc., the city-state relies on the common interest in the function of the urban centre. The urban centre and its activity supply the livelihoods of all urbanites inhabiting the city-state [09].

Historically, city-states have often been contingents of larger cultural areas, as in the city-states of ancient Greece (such as Athens, Sparta, Thebes, and Corinth), the Phoenician cities of Canaan (such as Tyre and Sidon), the Sumerian cities of Mesopotamia (such as Babylon and Ur), the Mayans of pre-Columbian Mesoamerica (including sites such as Chichen Itza and El Mirador), the central Asian cities along the Silk Road (which includes Samarkand and Bukhara), or the city-states of Northern Italy (especially Florence and Venice) [10].

In a more practical level and focussing on the setting where all this action could take part, as a living organism, a city needs a shape according to its function and a location of resources where is most needed. Reykjavík has failed to provide real alternatives to the private car, has grown not out of necessity, but out of greed and urban speculation and has missed the opportunity to develop a strong Social Capital. The interest of the community, in terms of public space, has been sacrificed to the interest of the automobile industry and private investment. 'I think if I should give some advise to a city [...] that is to try to take the people in the city seriously, more seriously, just as seriously as we [...] have been use to take the traffic of cars' [11] says famed Danish urbanist Jan Gehl [12].

[07] <http://statice.is/Statistics/Population/Municipalities>

[08] Google Earth

[09] http://en.wikipedia.org/wiki/City_State

[10] http://en.wikipedia.org/wiki/City_State

[11] Jan Gehl, Royal Danish Academy of Fine Arts. Contested Streets. 2006, NY. Excerpt: Livable Places. 2:57

[12] http://en.wikipedia.org/wiki/Jan_Gehl

Radical social changes will no longer be confined to ‘the demand of the people’; it will be out to action by us, the people, both in Iceland as elsewhere on Earth. A necessary demolition and construction is just beginning [13].

In the context of physical construction, deconstruction is the selective dismantlement of building components, specifically for re-use, recycling, and waste management. It differs from demolition where a site is cleared of its building by the most expedient means. Deconstruction has also been defined as “construction in reverse”. The process of dismantling structures is an ancient activity that has been revived by the growing field of sustainable, green building. Buildings, like everything, have a life-cycle. Deconstruction focuses on giving the materials within a building a new life once the building as a whole can no longer continue [14].

Statistics show that the demolition of buildings in the United States produces 124,670,000 tons of debris each year. Consider that one year's debris is enough to build a wall about 30 feet high and 30 feet thick around the entire coast of the continental United States (4,993 miles) [15].

The Big Dig House is a recent and successful example of dwelling built almost entirely of leftover materials. Constructed with over 600,000lbs of recycled materials, this is the house that Boston’s Big Dig built. At a final cost of \$150 per square foot, most of the materials for the house were free, minus the expenses to ship the materials (formerly I-93 off-ramps from the heart of the transportation artery through Boston, unofficially known as the ‘Big Dig’) to Lexington, MA [16]IMG05.

[13] http://www.grapevine.is/media/pdf/grapevine_01_2009_online.pdf Page 9

[14] [http://en.wikipedia.org/wiki/Deconstruction_\(building\)](http://en.wikipedia.org/wiki/Deconstruction_(building))

[15] http://www.deconstructioninstitute.com/article.php?art_ID=43

[16] <http://www.inhabitat.com/2006/04/11/big-dig-house/>

The main Big Dig contractor, Modern Continental (...) also owns a site in Cambridge where they had planned to build a complex of apartments from more Big Dig leftovers [17]IMG06. For this bold plan SsD has won Metropolis's first Next Generation® Design Prize, capturing the award out of more than 200 entries. The competition brief asked for a 'big idea' encompassing sustainability, universal access, and beauty; it also requested a business plan detailing how the winner would use the \$10,000 award as seed money to further develop the concept. SsD's scheme beat out 17 finalists whose ideas -breathtaking in their range and originality- included a 'soft house', a portable swimming pool, solar-power collectors, a waterfront redevelopment plan, and a better chair design [18].

With one third of the population emigrating, the government could drive companies to relocate closer to the urban centre. The excessive, redundant or no longer functional ones could be dismantled. Metallic structures, roof materials, glass, isolation, electric installations, plumbing, could be reuse. Concrete could be crushed and use as aggregate [19]. With such a catalogue of materials, it would be a challenge for architects and urban planners and an opportunity for the city to build a more dense and mixed urban fabric using empty lots located around the city centre and irradiating outwards as needed following a more organic vision and pursuing a more dense, human friendly, liveable city.

Smáralind, a Shopping Mall in Kópavogur, the second most populated municipality in the Greater Reykjavík Area with 29.957 inhabitants [20] has a footprint area of approximately 25.000 m² plus a 9.000 m² elevated car park. The project included some 100.000 m² of concrete formwork, 26.000 m³ of concrete, 3.000 tons reinforcement and 1.500 tons structural steel for roof structures [21].

[17] http://www.treehugger.com/files/2005/01/single_speed_de.php

[18] <http://www.metropolismag.com/story/20040601/single-speed-design-the-2004-next-generation-winner>

[19] http://en.wikipedia.org/wiki/Concrete_recycling

[20] <http://statice.is/Statistics/Population/Municipalities>

[21] <http://pdf.istak.is/ensk/past/05building/9938.pdf>

The new retail store for IKEA finished in 2006 and located in Garðabær, the fourth most populated municipality in the Greater Reykjavík Area with a total number of 10.358 inhabitants [22] has a floor area of 20.800 m². The project included 5.500 m³ of concrete and 1.000 tons of structural steel [23].

It would provide job opportunities, especially in professions like construction, one of the most affected collectives due to the Financial Crisis. There is evidence to support a link between unemployment and lower levels of psychological well-being [24]. Reykjavík will to survive, reinvent and redeem itself, the bravery and leadership of its inhabitants, will raise the moral of the whole country and will acquire world recognition, bringing back Icelandic recently lost prestige around the world and especially in Europe [25].

A denser, compact, sustainable city supposes less investment in provide infrastructure and services. A more densely built Reykjavík integrates better into the larger natural habitat reducing the impact on the land and leaving a smaller ecological footprint. The city needs diversity in buildings and neighbourhoods, in services and activities that provide comfortable, pleasurable living environments to different amounts of people at different times.

Reykjavík should use this coming years of economic slowdown to reinvent itself. The next race could be the most important one in the recent history of the city and Reykjavík should face the starting grid in the best possible conditions. Compact, liveable urban neighbourhoods with good public services attract more people and business. Developing such a city, a liveable, walkable, human size city, with a strong centre that irradiates wealth and benefits over the adjacent neighbourhoods is a critical element in protecting the natural surroundings. And the natural environment is one of Reykjavík biggest assets, one that needs to be protected.

[22] <http://statice.is/Statistics/Population/Municipalities>

[23] <http://pdf.istak.is/ensk/past/05building/0512.pdf>

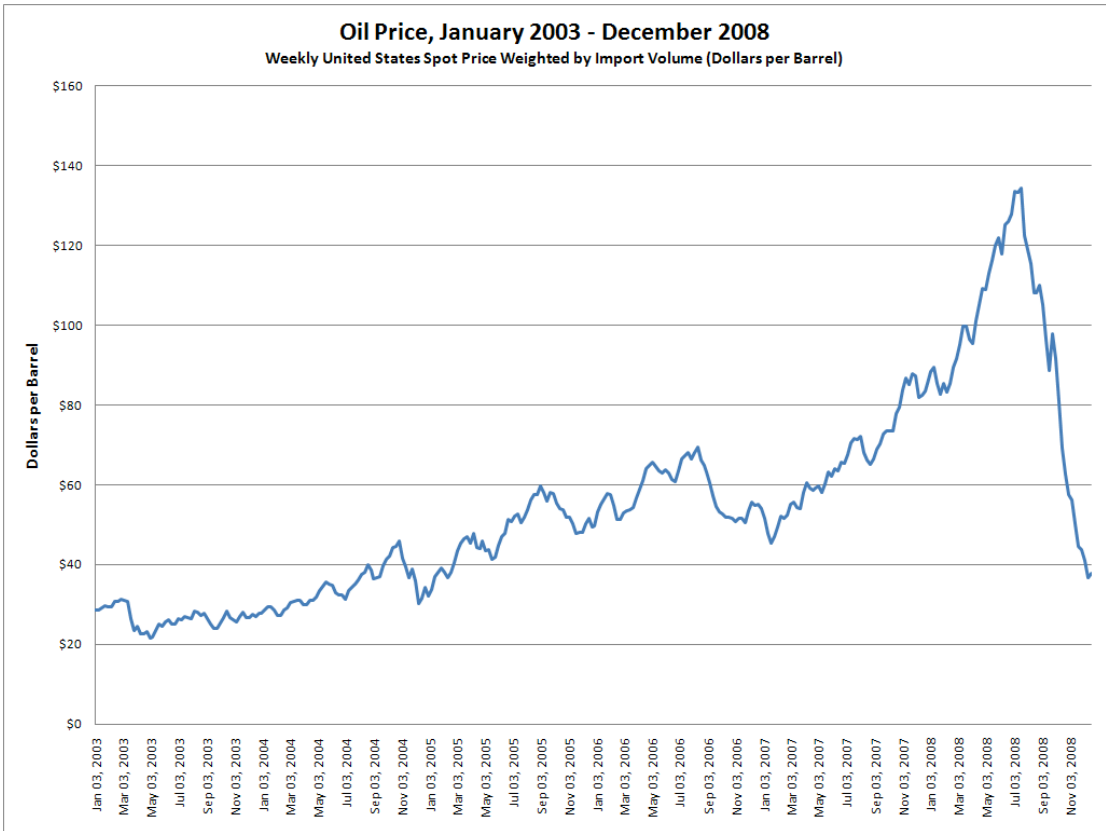
[24] <http://cat.inist.fr/?aModele=afficheN&cpsidt=1686248>

[25] <http://www.guardian.co.uk/world/2008/oct/05/iceland.creditchurn>

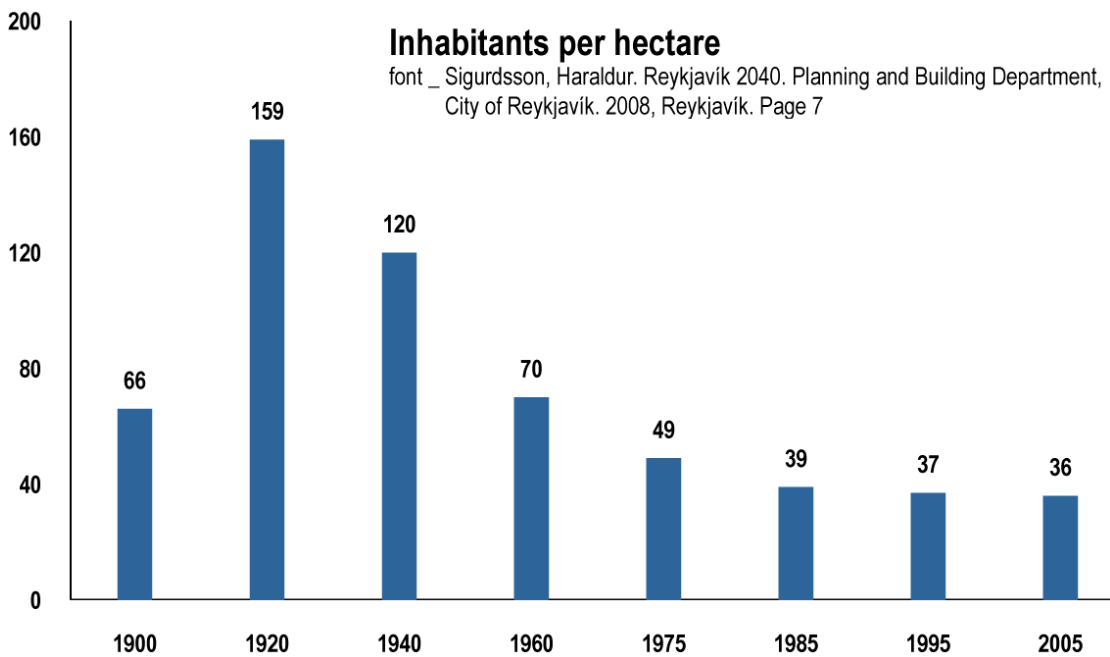
The time for ‘spiritual awakening’ has come. The solution is not one but many. Social, political, economic forces are at conjunction and the capital city has to lead by example. We can not allow ourselves to keep on the actual trend, to repeat past mistakes, ‘that would be looked on as, not only having missed an opportunity, but to be completely irresponsible, because if you are building infrastructure that it is going to require cheap oil to keep it going, you are wasting your time’ [26]. Reykjavík must be bold, imaginative and intrepid. At this point in time, it is not about economic viability any longer, it is about faith, pride and leadership. It is about a common endeavour. And yes, it is also about redemption.

[26] Professor Peter Newman, Murdoch University, WA. Auckland, City of Cars: Episode 3. 2006, Auckland. 9:14

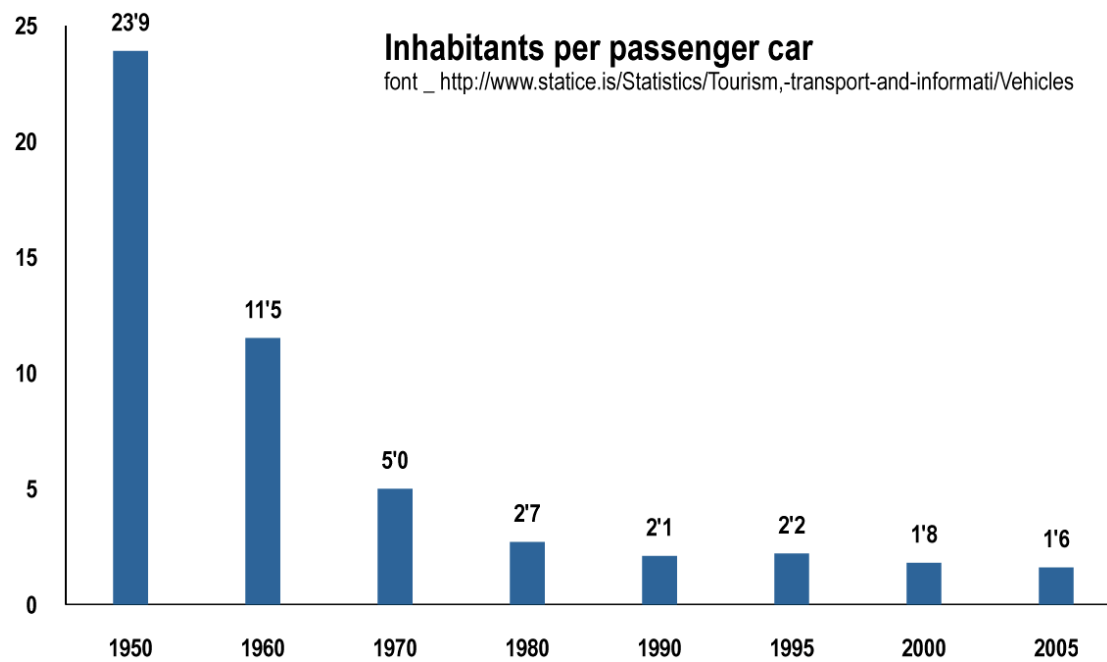
IMG01 [http://en.wikipedia.org/wiki/File:Price_of_oil_\(2003-2008\).png](http://en.wikipedia.org/wiki/File:Price_of_oil_(2003-2008).png)



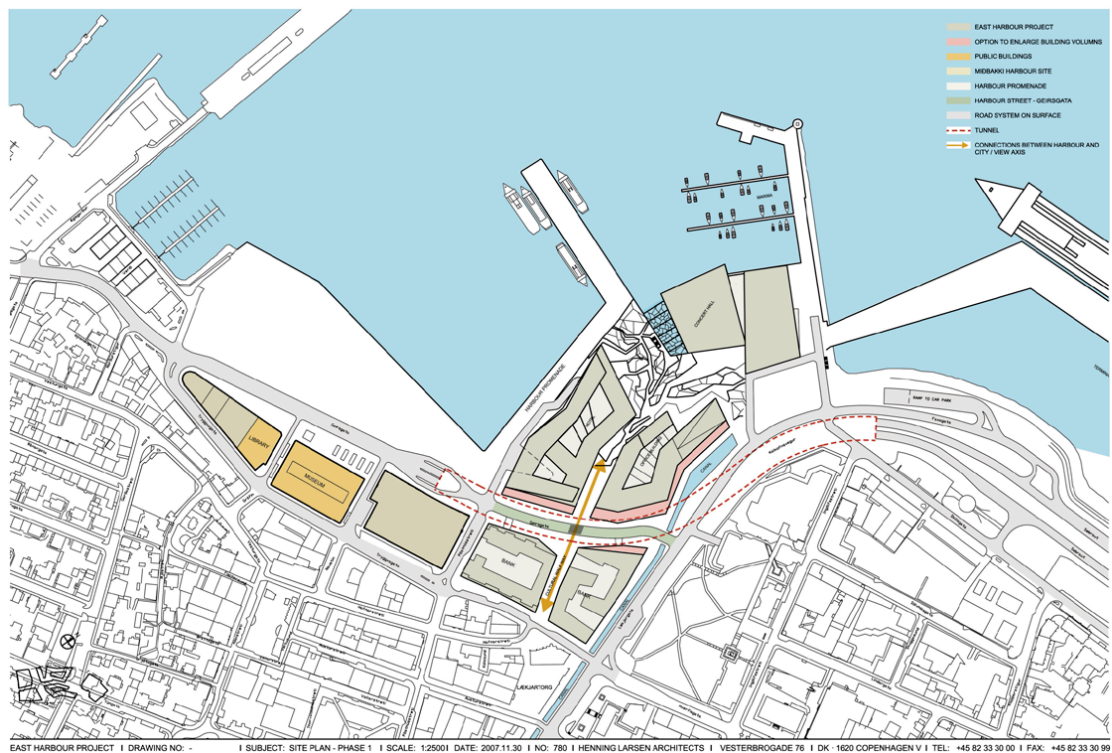
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IMG03



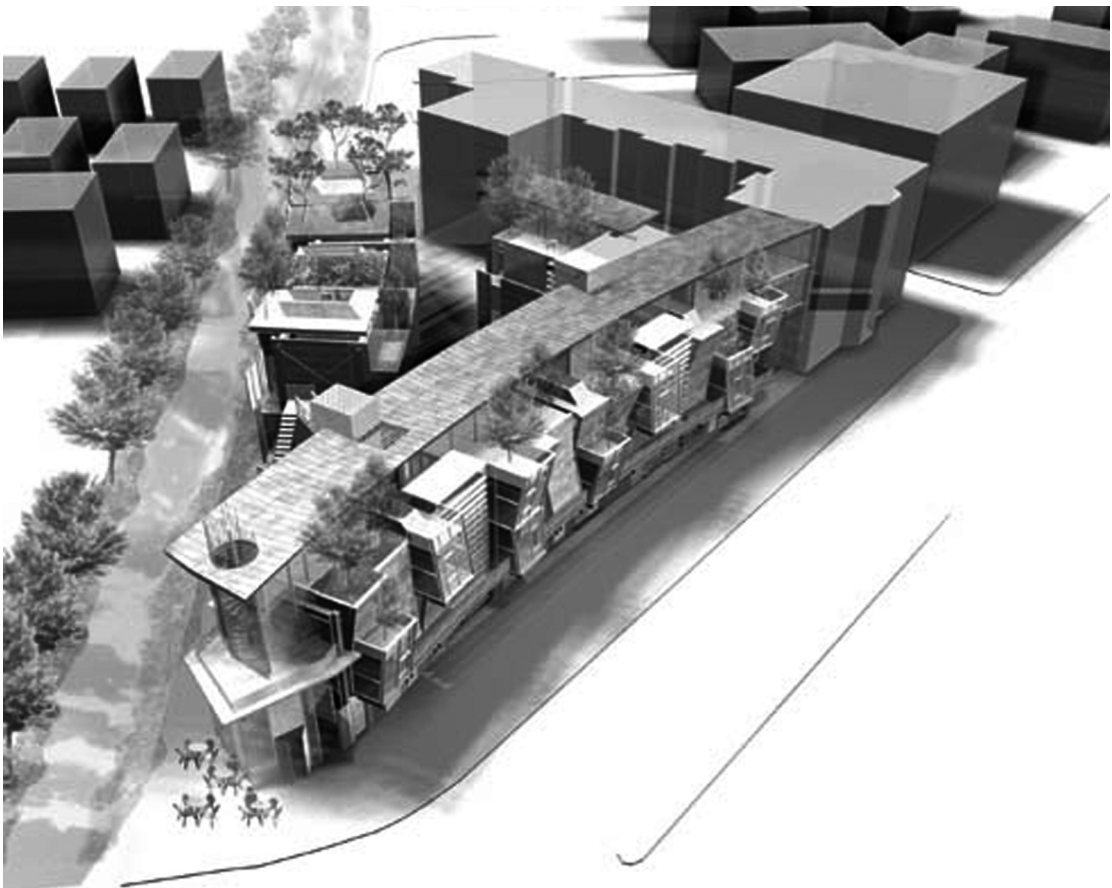
IMG04



IMG05



IMG06



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