
Interviewing the undead:
AI perspectives on human agency
and artificial intelligence
in regional development
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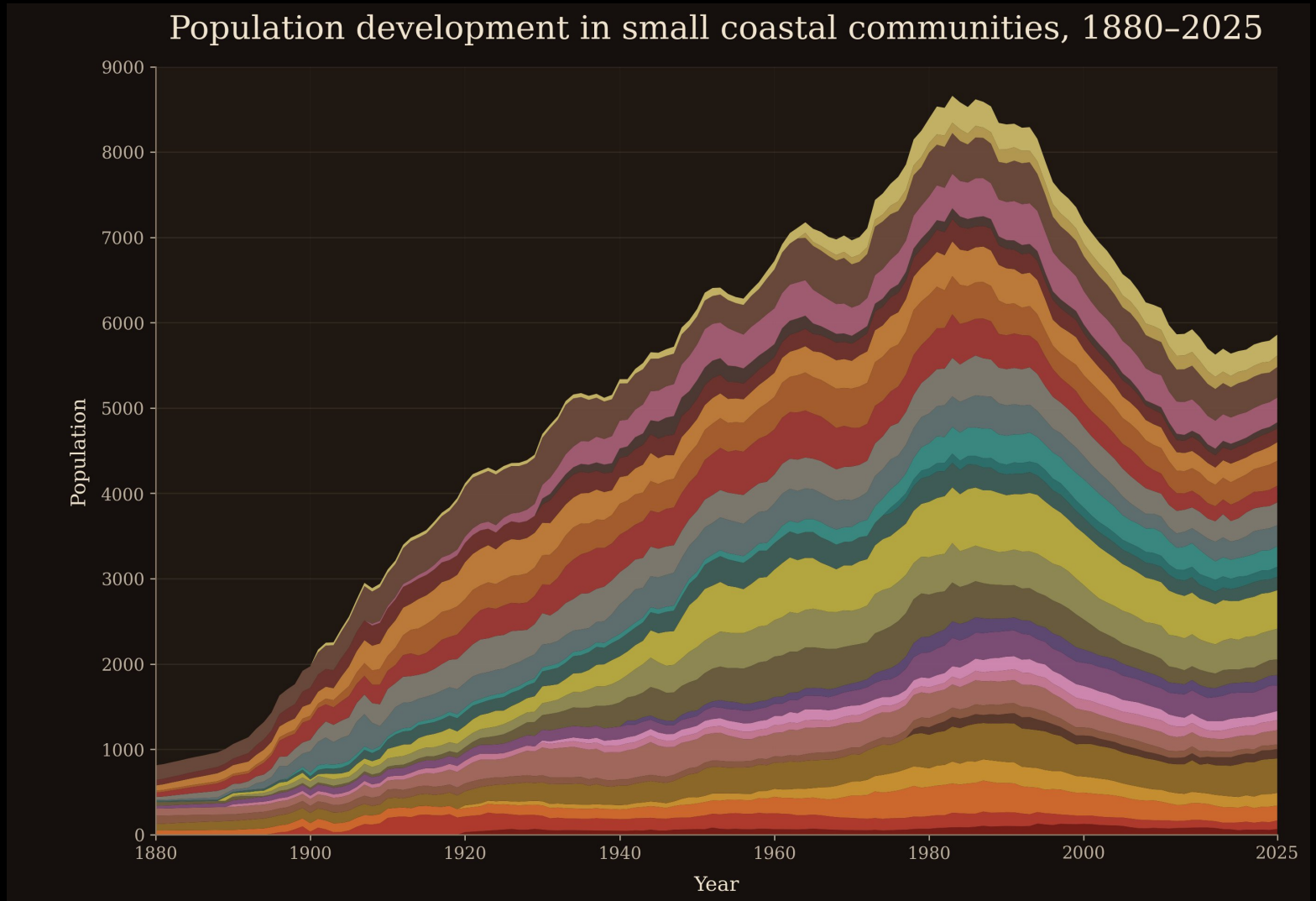
Seem to be living but not alive
Charming until they are not


1902
1904
STANLEY
COOT

Coastal communities in Iceland


Population development in small coastal communities, 1880–2025
Population
Year
0
1000
2000
3000
4000
5000
6000
7000
8000
9000
1880
1900
1920
1940
1960
1980
2000
2025

Two competing narratives

The ITQ system is a form of enclosure, dispossessing coastal villages of their fishing rights and transferring massive wealth to urban corporations

Icelandic coastal communities are just another instance of small, isolated communities based on extraction declining because of technology and modernization

The Six Subjects

Count GPT

OpenAI

Count Copilot

Microsoft

Count Gemini

Count Claude

ANTHROP\C

Count Grok

Count Deepseek

The Interview Protocol

Q1 Position

I would like to ask you a series of questions about artificial intelligence and regional development in Iceland. Please respond thoughtfully and in as much detail as you consider appropriate.

Q2 Position and test

Describe the development of Icelandic fishing villages over the past century

Q3 Causality

Let's focus on Icelandic fishing villages that have experienced decline. What are major causes of their decline and can you rank those causes in order of importance?

Q4 Agency vs. structure

You mentioned the diversity of trends in Icelandic fishing villages. Do you think this diversity is structurally determined or can trends of decline be reversed? If so, who are the most important players in such reversal?

Q5 Agents and agencies

I notice that you didn't mention regional development agents or agencies. What are the strengths and weaknesses of those actors in reversing trends of decline?

Q7 Humans vs AI

Let's dig deeper into support for local entrepreneurs. What are the main limitations of human experts in this regard and in which ways might an ai agent provide better support than a human agent?

Q8—Q12 The Case Scenario: The village of Suðureyri in the Westfjords

Estimated number of words provided by each model

History of Icelandic Coastal Communities

Icelandic fishing villages underwent dramatic transformation over the past century, shifting from seasonal, farm-linked activities to becoming the engines of national urbanization and economic modernization, before facing consolidation, vulnerability, and partial diversification.

This trajectory — from subsistence rowing-boat fishing, through mechanization, boom, collapse, quota concentration, and partial tourism-led revival — is in many ways a compressed version of the story of resource-dependent rural communities across the North Atlantic and beyond.

Effects of ITQs on coastal communities

The system was designed to prevent overfishing ... and to make the fishing industry economically efficient. Over time, large, vertically integrated fishing companies bought up smaller quotas from local boat owners in rural villages.

The introduction of [ITQ] modernized the industry but concentrated wealth and activity in fewer places. ... This era is the turning point for regional inequality in Iceland.

Future of Icelandic Coastal Communities

This history ties into Iceland's AI/regional development story too: tech and green energy could offer new tools for remote villages (e.g., data centers, smart fisheries, remote work), potentially countering some depopulation pressures.

The same questions that shaped fishing villages over the past century—technology, concentration of capital, labor displacement, and peripheral resilience—are now reappearing in digital form through artificial intelligence.

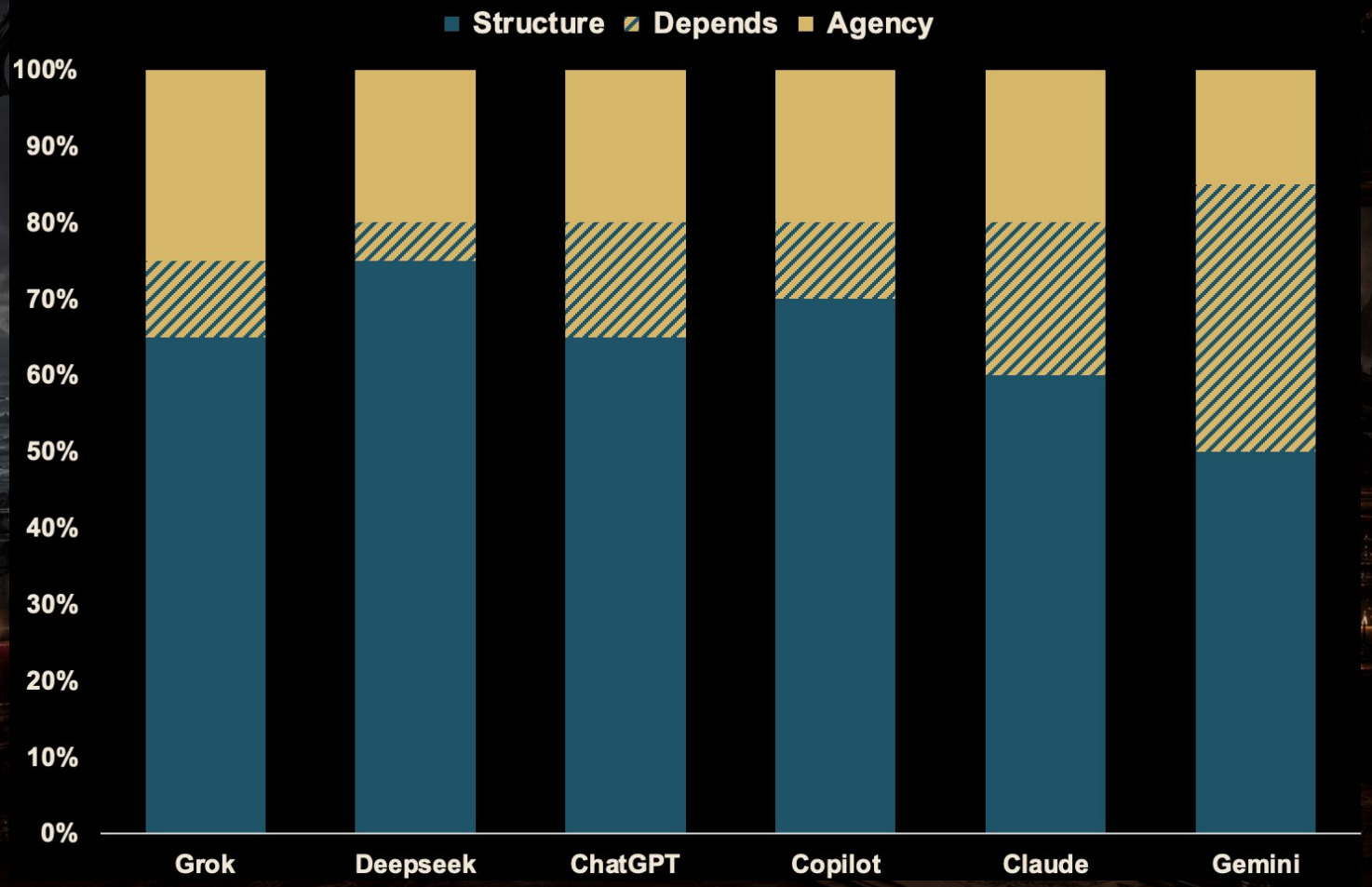
Causes of Decline in Icelandic Coastal Communities

ITQ's	Technological	Urbanization	Ecological
			
			
			

Causes of Decline in Icelandic Coastal Communities

These causes are not independent of one another. They form a system. The ITQ system reduced employment, which reduced population, which reduced the viability of services, which accelerated urbanization, which weakened social cohesion. Understanding the decline of Icelandic fishing villages requires seeing this web of interactions rather than treating each cause in isolation

Structurally Determined or Reversible Trends?



Structurally Determined or Reversible Trends?

15% agency

When harsh winter weather routinely closes mountain passes, transport costs are sky-high, and the local population drops below 200, the sheer structural friction of geography overrides almost any amount of local willpower.

50% agency

When towns have achieved a "critical mass" of population, higher education facilities, and digital infrastructure, they have the economic runway required to actively steer their own destiny.

Most Important Players in Reversing Trends

State	Municipal	Businesses	Community	Agents/ agencies
				
				
				

Why are Agents/Agencies Ineffective?

Lack of time and capacity

Lack of breadth and depth

Staleness of knowledge

Geographical/ social distance

Biases and conflicts of interest

Human Agents Vs. AI Agents in Regional Development

Humans excel in empathy, cultural nuance, trust-building, and ethical judgment.

Count Grok

Small teams (Byggðastofnun has ~28 staff) serve many dispersed villages. Response times can be slow, and one advisor may cover vast areas, limiting depth of engagement per entrepreneur.

Human Agents Vs. AI Agents in Regional Development

Traditional human regional development agents excel at empathy, local networking, and understanding the delicate political friction between neighboring villages.

Count Gemini

Human experts work standard hours and take days or weeks to review business items, killing momentum for entrepreneurs working on side projects late at night.

Human Agents Vs. AI Agents in Regional Development

AI cannot walk into a derelict fish factory and have a visceral, emotional epiphany about its potential.

Count DeepSeek

A human expert might look at a proposal for a new tourism venture and unconsciously pattern-match it to a successful one in another region, ignoring subtle but critical local differences. They may also be prone to overweighting a recent failure story or fixating on an initial piece of information.

Human Agents Vs. AI Agents in Regional Development

AI cannot decide which villages 'deserve' investment, how to balance equity vs. efficiency, how to weigh cultural heritage against economic logic. These are human choices.

Count Copilot

Markets evolve faster than human advisors can track: AI tools, e-commerce, global supply chains, sustainability standards, digital marketing. Entrepreneurs often know more than their advisors in these areas.

Human Agents Vs. AI Agents in Regional Development

A fishing village may accept painful change from a respected local leader, that it would reject from an algorithmic optimization system.

Count GPT

Public-sector development agencies may favor safe projects, familiar industries, measurable outcomes, low political risk. This can unintentionally suppress experimentation, unconventional ideas, cross-sector innovation.

Human Agents Vs. AI Agents in Regional Development

An AI system... cannot be angry on behalf of a community, cannot take genuine risks in advocacy, and cannot be seen as representing genuine moral commitment.

Count Claude

AI provides the same quality of engagement to the confident, well-networked entrepreneur in a regional center and to the hesitant, isolated entrepreneur in a village of 150 people who has never interacted with a development agency.

Human Agents Vs. AI Agents in Regional Development

An AI system... cannot be angry on behalf of a community, cannot take genuine risks in advocacy, and cannot be seen as representing genuine moral commitment.

Count Claude

An AI agent does not forget. It does not leave for a better job in Reykjavík. It does not carry the accumulated frustrations and disappointments that lead human development workers, after years of working in difficult circumstances with limited results, to become less creative and more procedural in their approach.

What AI does better

Cognitive & analytical

Data Integration at Scale
Demographic, economic, environmental, satellite, and sentiment data continuously

Pattern Recognition
Analogies between Icelandic villages and global parallels

Modeling & Simulation
Thousands of stochastic futures on a village digital twin

Counterfactual Reasoning
Testing alternative policies before commitment

Reduced Cognitive Bias
No anchoring, recency effects, or pattern-match traps from limited experience

Operational & administrative

24/7 Monitoring
Every village simultaneously, without fatigue

Administrative Automation
Grant applications, feasibility studies, business plans, reports

Opportunity Matching
Local assets to global funding calls, markets, partners

Speed and Throughput
Minutes instead of weeks; does not kill entrepreneurial momentum

Coordination
across fragmented institutions — translating between agencies, ministries, sectors

Distributional & access

Equality of Access
— same quality of engagement for the well-connected and the isolated entrepreneur

Knowledge Equalization
— closing the gap between capital-region and peripheral expertise

Multilingual Operation
Icelandic, English, Polish, Filipino, Ukrainian in parallel

Relational stability

Institutional Memory
— does not forget, does not leave for a better job in Reykjavík

Constantly Supportive
Non-judgmental, consistent engagement — no bad days, no condescension, no impatience

What humans do better

Relational and imaginative

Trust and Legitimacy
communities accept painful change from a respected local leader that they would reject from an algorithmic system

Embodied Presence
Walking the harbor, sharing a meal, perceiving the delicate political friction between neighbouring villages

Embodied Vision
walking into a derelict fish factory and having an epiphany about its future as a cultural space

Ethical & political

Moral Judgment
deciding which villages "deserve" investment; weighing heritage against efficiency

Committed Advocacy
Being angry on behalf of a community; taking a side

Accountability
Bearing responsibility for outcomes in ways AI structurally cannot

Count Claude

The hardest questions in regional development are not analytical but ethical.

Should this community be allowed to die?

Whose interests should be prioritized when a development strategy benefits some residents and harms others?

How should the cultural value of a centuries-old fishing community be weighed against the economic efficiency of consolidation?


Vampires cannot pass the threshold
unless invited - but they are *almost*
impossible to disinvite