



**New Year Address  
by the President of Iceland,  
Ólafur Ragnar Grímsson,  
1 January 2006**

My fellow countrymen,

My wife and I wish you a Happy New Year, and we hope that as the days lengthen into spring, so every household will be filled with hope and optimism and all those whose lives are beset by problems will find their burdens grow lighter.

Our country has been blessed by good fortune. Our nation has shed the poverty of past centuries and achieved greater material welfare than most countries have ever known. The generation of Icelanders who are now in old age played a large part in this, laying down the foundation of the welfare we now enjoy and creating conditions for the growth we have experienced in recent months and years.

When today's old people were in their youth, Iceland had known material poverty for centuries. True, it had recently achieved Home Rule and full internal sovereignty, but just around the corner lay the Great Depression. Thousands of households had difficulty making ends meet, and the future was shrouded in uncertainty.

People of that generation set out in life with little other than the passion of their ideals, an ambition to see their country make progress and a dream of creating a better lives for themselves and their families. Their achievement was truly magnificent. Their life's work put Iceland in the front rank. Our young people are now reaping the benefits. Their inheritance is greater than anyone would have predicted in their wildest dreams, and they are in a position to conquer the world if they want to.

We owe a huge debt of gratitude to those good people, our parents, our grandfathers and grandmothers and all the others who led the way. It is vital that we appreciate the full value of what they did.

An indication of the level of civilisation of any nation is how it treats its old people, how it enables old people to enjoy their declining years and whether it guarantees them security and care in old age.

Much good work has been done in this area. In our visits to many parts of the country my wife and I have seen attractive and well-furnished old people's homes and well-motivated staff who make efforts to enrich the lives of those who live there. Nonetheless, not enough has yet been done to meet the pressing need for old-age care and accommodation.

Many families know from their own experience the difficulties involved in finding a suitable place for old people to live, and the waiting-lists for places in institutions and nursing-homes often cause great hardship. Living in uncertainty is difficult for old people, and this means extra worries for their families.

The support and care of our senior citizens should be one of our very first priorities. If anyone argues that the costs involved are too great, then they should pause and remember that life passes amazingly quickly and it will soon be our turn to find that we are old. And we will probably have higher expectations than our thrifty predecessors; we take for granted the comforts that they laboured to be able to give us.

I hope we will succeed in providing our old people with security in their last years and find ways of expressing our gratitude to them by making further improvements in the scope and standard of the facilities for old-age care.

This calls for a joint effort. National and local government, interest groups and the business sector must all join together to find ways of solving these urgent problems and making sure that no one is overlooked. The obligation transcends all boundaries of party and other types of allegiance; we all bear an equal debt of gratitude.

Younger people often find it difficult to understand the full extent of the miracle that our old people wrought. They transformed our country and enabled us to stand up and compare ourselves proudly with other nations.

The last century saw the greatest advances in our history, with transformations and progress of many types in commerce and society, the sciences, technology and culture, and the introduction of new forms of art, some of which made a very strange impression when they first appeared in Iceland.

Great artists came forward in many fields. Some were talents of the first order, even though they did not achieve international recognition in

their lifetime; the channels of contact with other countries and cultures were so different in those days.

We face the urgent task of introducing to the world many superb artists who emerged in Iceland in the first years after the foundation of the Republic. Though they were content to live and work on their home ground, they gave us works of art that are on a par with the best found anywhere in the world.

Although half a century has passed since Halldór Laxness received the highest honour possible for literature, the world at large has yet to discover the paintings of Kjarval or the sculptures of Ásmundur Sveinsson, to name but two examples. We now face the stimulating challenge of putting this situation to rights and showing what a luxuriant background and rich tradition our younger artists have been able to draw on, amongst them Ólafur Elíasson, Georg Guðni, Björk, Sigur Rós, the Vesturport Theatre Group and many others who now enjoy international fame and recognition. In the field of literature, too, Icelanders are still scoring well abroad: Sjón received the Nordic Council's Literary Award last year, and the ever-growing success that Arnaldur Indriðason's books have enjoyed abroad is almost unbelievable.

When I opened an exhibition of paintings by Jóhannes Kjarval in the autumn to mark the 120<sup>th</sup> anniversary of his birth, I mentioned that it is interesting to examine how art specialists abroad praise Kjarval and put him in the context of the world's greatest painters. He is measured against a different standard outside Iceland, the international standard; this is something that we have neglected to do, perhaps because Kjarval seems to us so quintessentially Icelandic, an integral part of our consciousness and the way we see our country.

This same thought occurred to me recently when I visited a famous sculpture collection near New York, the Donald Kendall Sculpture Garden. Mr. Kendall, who was for decades the head of a famous multinational company, decided to set up this collection of works by some of the leading contemporary sculptors in a beautiful outdoor setting by the headquarters of his business. There you can see large sculptures by Henry Moore, Miro, Giacometti and other famous names in 20<sup>th</sup> century art. And there among them is Ásmundur Sveinsson's sculpture "*Through the Sound Barrier*". Kendall first saw this work when he visited Ásmundur in the distinctive and futuristic house that the artist built for himself on Sigtún in Reykjavík.

I was proud to see how well Ásmundur Sveinsson's work came out in comparison with those of his fellow-masters. Donald Kendall himself, now an old man, accompanied us on our walk among the sculptures. He

said there was no doubt in his mind that Ásmundur would have become world famous had it not been for the poverty and isolation of the small country in which he lived, which were obstacles that prevented his work from becoming known around the world.

But Iceland is now neither poor nor isolated. On the contrary, our national earnings are among the highest in the world, and we have easy access in any direction we choose. There are no obstacles in our path and nothing to hold us back. My wife and I are made aware of this almost every day here at Bessastaðir, where we are constantly meeting influential people in the arts, commerce and sciences from every corner of the globe, and also through our involvement in numerous events all over the world.

Last year I made an official visit to China, accompanied by a large delegation of people from the Icelandic business sector, including the managers of more than a hundred companies, representatives of our universities and other interested parties.

Shortly after that, the President of India came to Iceland on an official visit, bringing with him an entourage of scientists, businessmen, musicians and other influential people. This was the first time that a president of India had visited Iceland; in fact, Iceland was first among the Nordic countries to receive such a visit.

This illustrates clearly how greatly our world has changed. Even just a few decades ago, it would have seemed amazing if Iceland had enjoyed such contact with India and China – contact that opens up opportunities for us which many nations would consider themselves lucky to have.

About one third of the human race lives in India and China, and the time is fast approaching when these countries will rank together with the USA as the main powerhouses of the world economy, even though they are still grappling with the problem of mass poverty both in their rural areas and in their huge cities. India is the world's most populous democratic state, and the rate of economic growth in China never ceases to amaze the rest of the world. Both countries are now paying more and more attention to research and higher education in order to consolidate their positions in as many fields as they can, and it is amazing to see at first hand the ranks of research scientists and technicians that are busy at work there.

It is a great privilege for us to have India and China interested in expanding collaboration with Iceland and ensuring that it is successful. This gives us access to a good position in the new economic world order.

I know from my long experience of friendships with Indians that if they turn their attention to Iceland, considerable benefits could follow. My meetings and discussions with the Chinese leaders last year also convinced me that they see collaboration with Iceland as bringing great potential benefits for both countries.

Commerce, science and the arts will be the central focus of these developments, which will deliver benefits for many of our companies and thousands of our people.

Contact with India and China will make it easier for Icelandic entrepreneurs to move into leading positions on the world markets, as in fact many Icelandic companies have already done. It is interesting that the Indians and the Chinese often choose to work with Icelandic firms in launching marketing campaigns in other countries rather than with large multinationals based on the Continent or in the USA. In these cases, the smallness of Icelandic companies works with us. It gives us a decisive advantage.

There are also opportunities here in the university sector. Clearly, collaboration with Icelandic scientists and specialists is seen as an attractive alternative in India and China. Increasingly, India and China will become centres of knowledge and skills in many areas, and in the light of this it was a special pleasure for me to inaugurate, shortly before Christmas, a new Centre for Asian Studies in collaboration between the University of Akureyri and the University of Iceland. This will be a forum for the studies and exchanges that the new world order has made possible. The establishment of the Centre for Asian Studies is a clear indication of the future vision of the universities and a new vehicle for collaboration in the academic sphere.

When I accepted the office of President of Iceland, I emphasised again and again that it was vital to give more attention to the nations of Asia. It gives me great pleasure now to see this future vision become a reality and to sense the interest that our young people have in Asian culture and affairs.

It comes as a surprise to many people to realise how many varied and creative challenges may be opened up through international collaboration with these huge countries, for example in fields such as design and architecture, music and painting, science and education, and also in debates on civilisation and law. Last summer, a large delegation came to Iceland from a university in China that has thousands of students in its law faculty alone. The aim was to lay the foundations for collaboration with Iceland on teaching in the field of human rights.

Yes, times have certainly changed, and we are now faced with so many attractive options that the difficulty lies in choosing between them. The new world order is favourable for us, and opportunities are opening up in all parts of the globe.

On my visits to Bulgaria, Serbia, Russia and other countries in Eastern Europe, I have seen clearly how the changes in that part of the world have also opened up new opportunities for us, even in fields where we were not particularly active in the past, for example in pharmaceutical production, information technology, financial services and social reforms.

Opportunities also await us in many fields in the USA: in exports of our agricultural produce, Icelandic water and the dairy product *skyr*; in energy processing and hydrogen technology; in the development of technology to reduce the threat of a radical climate change; in studies of the ocean currents and in innovations in the health services. Perhaps we have been too narrow in our view of the potential that may grow out of relations with the USA.

The same applies here as in our relations with China and India, Russia and the countries of Eastern Europe and in the spectacular commercial success of Icelandic companies in Britain, Denmark and other countries closer to home – everywhere, knowledge, skills and competence are the decisive factors.

The education of our young people is the most important resource we have, and it is vital that we go on making it one of our top priorities.

Our schools and universities will prove to be our most important powerhouses. Knowledge and skills will be our most valuable assets, both in new ventures at home and the establishment of commercial and cultural bridgeheads overseas.

What we can do and how we act – these are the factors that determine our reputation. If we play our cards correctly, then a bright future awaits us, with prosperity that can give us all a better life, both the older generation that gave us such a fine basis to build on and our children who are now taking their first steps.

Iceland has enjoyed good fortune, and we must hope that the future will continue to smile upon us.