



**New Year Address
by the President of Iceland,
Ólafur Ragnar Grímsson,
1 January 2007**

My fellow countrymen,

I wish you all a Happy New Year and prosperity in the times ahead, and hope the Festive Season has been a source of satisfaction and new energy, giving you added vigour to face the future with optimism.

It is during these days of holiday and peace that relatives, friends and families, who are so often preoccupied with other things, manage to renew and reaffirm their bonds, giving children and young people vivid and colourful memories to treasure in later life.

The family has long occupied a special place in Iceland. We are more actively aware of our ancestry and blood relations than many other peoples, and often speak of ourselves as a large closely-knit family, especially in times of sorrow and adversity. Certainly there is much to confirm this view; on the other hand, there is also much to suggest that family life is now under greater pressure than ever before.

The race for material possessions and comforts, long and demanding working hours, commitments on the part of parents, demands of all types – all these things have reduced the time that the family spends together. In some cases children spend even less time with their parents than with their teachers, who take them into their care early in the morning and are with them for a full working day.

Perhaps this is the time to ask ourselves what sort of society we want to create for our children. What are the values that we prize above all others? At what cost to the care of our youngest children do we pursue the acquisition of material goods? Are human resources not the most valuable resource we have in the increasing competition between the nations of the world?

During the past year, there was some illuminating discussion of how child-friendly Icelandic society really is at the present time. Experts and others with a knowledge of the field pointed out danger signals; they cited

many examples of how neglect is undermining the mental stability and development of our young generation and identified trends which, in a short time, could create the conditions for dissolution and increasing difficulties in our schools and result in a problem situation that would be difficult to tackle in the future.

This description came as a surprise, since the established view is that we take extremely good care of our children. Certainly, we can be proud of many things we do: we provide them with fine school buildings and well-educated teachers who take pride in their work – but is that enough? What about family life, what about the hours that parents manage to share with their children?

The long working day has its price, and children pay a large part of this price. And now, in the weeks approaching Christmas, it was revealed that thousands of Icelandic children are living in poverty and are unable to share in the same opportunities as their schoolmates and friends.

We must examine this situation open-mindedly; we must listen to the warnings that the experts have given and also to the examples that we find in our everyday lives, as this is a problem that affects us all.

One improvement would be to integrate sports and leisure activities more closely with children's ordinary schooling; these activities also play an important role in combating drug abuse. But the most important thing might be to shorten the long working day and so put parents in a better position to give their children more attention. Here, of course, low wages are also part of the problem for many working people.

Making changes in this area calls for a new ranking of priorities, a different allocation of financial resources; here, everyone must join forces: employers and the trade union movement, central government and the local authorities.

If anyone objects that this would call for too much money, then they should stop and remember that the recent expansion of Icelandic companies and their establishment of successful ventures abroad, which has generated greater profits than anyone could have dreamed of, has been based for the most part on the education and talents of the young people who are now playing the leading roles in our country.

If it is our intention to secure and consolidate our successes in the international arena, then we will have to invest more in support of our young people, right from their first years of their lives and on until they complete university education.

Research has shown that the way infants are treated in their cradles and during their first years of growth can have a decisive effect on their achievements as adults. The problem is also more complex than might seem at first sight, since family structures are becoming constantly more and more varied.

When we discuss the future, therefore, we must answer the question of how child-friendly we really want Icelandic society to be; and we must seek to establish a broad consensus on the changes that need to be made.

Yes – the future! Sometimes it seems to be hidden away at such a distance, and so we forget to take the proper precautions. But time flies swiftly, and all of a sudden we are confronted by the problems that we thought would be the concern of generations to come, not of our own.

I have no doubt that last year will be remembered for the new tone that entered the discussion on climate change. It was last year that the rising sea level became a matter of urgent concern to the global community. Suddenly, national leaders all over the world, the cream of the world's scientists and the directors of many of the world's largest companies found themselves standing shoulder-to-shoulder on common ground.

All of them had the same message to deliver: In only a few decades, the climate and conditions for life on Earth might deteriorate so seriously as to threaten the health and lives of billions of people.

It is no longer generally disputed that pollution of the atmosphere is posing a new threat to mankind – though of course some people find ways of persuading themselves that there is nothing the matter, just as there are some people who are members of the Flat Earth Society.

Now, the focus of discussion is almost entirely on the question of how quickly we must respond. The latest studies indicate that we have only a few decades in which to act if we are to avert the greatest threat that mankind has ever faced.

The discussion has entered a completely new phase. This marks a radical change from when I sounded a note of warning in my New Year's Address to you nine years ago. On that occasion, I said in my Address:

“If things continue on this course, the rise in temperature around the world could turn vegetated areas into deserts, while other regions could see a return to the cold of the Ice Age. Changes in the salinity of the sea could halt the great mechanism that has driven the ocean currents, and put an end to the flow of warmth that has reached us up to now from more southerly latitudes.”

One of the main points I mentioned was the effect that changes in the Golf Stream could have on conditions for life in Iceland. Many people thought I painted far too dark a picture nearly a decade ago, and various people let their views be known. Now things have changed, and the majority of those who talk about the problem see it as matter of urgency that the nations of the world take a united stance.

There are not many who are still willing to bury their heads in the sand and hope for the best.

Now the questions are asked every day: “What can we do? What weapons can science and technology give us?”

Here in Iceland we are in a unique position to play a part in the search for new solutions. The high proportion of renewable energy in our total consumption arouses more and more attention among other nations. Increasingly, they are seeking to work in partnership with us.

Recently, in the Chinese city of Xian Yang, the first stage of a new geothermal district heating system was opened. This will be the largest of its type in the world, built by the Chinese in partnership with Icelandic companies, Glitnir and Reykjavík Energy.

It is generally recognised that Icelanders are world leaders in the harnessing of geothermal energy, and Icelandic energy companies are now involved in a variety of projects in Europe, Asia and America. Hundreds of individuals from all over the world have graduated from the United Nations Geothermal Training Programme, which was established in Iceland three decades ago, and most of them are now playing leading roles in the exploitation of geothermal resources in their home countries.

Later this month, the leaders of five African nations will be meeting at a conference in Djibouti to discuss the use of geothermal energy in their countries. The President of Djibouti, the world-famous economist Jeffrey Sachs and I have called this conference, which will also be attended by Icelandic scientists and representatives of international companies and the City of Reykjavík.

Our initiative has aroused the interest of other nations. This was also shown clearly by two large conferences that I took the initiative on hosting in Iceland last year.

The first of these, the Global Roundtable on Climate Change, was attended by representatives of many of the world’s largest companies, leading scientists in various disciplines and influential figures from Europe, the USA, India and China. The conference was devoted to identifying how the energy requirements of this young century can be met

by using new technology and production methods, and at the same time striving to combat climate change.

It was in connection with this conference that an agreement was signed between one of America's most prestigious academic institutions, Columbia University, and the University of Iceland on a broad programme of collaboration on sustainable development. The most important project in this programme is an experiment involving Icelandic scientists, Reykjavík Energy and leading universities in Europe and the USA on the long-term sequestration of carbon dioxide deep in the ground.

This project provides a unique opportunity for young scientists, and also those with greater experience, and if the outcome is positive then Iceland will have made a significant contribution to the fight against the most serious threat now facing mankind. A method developed here could be applied in other places with basalt bedrocks, such as India, Russia and North America.

The second of these conferences I mentioned that were held in Iceland last year, the Iceland Climate Change Action Summit, attracted a strong team of Young Global Leaders from all parts of the world – outstanding achievers summoned by the famous Davos World Economic Forum to play a leading role in the years ahead. These young people agreed to make Iceland the venue for their discussion of the world's energy resources, and managed to bring with them some international investors who are willing to give powerful support to the struggle to combat climate change. These people see Iceland as an excellent venue because of our sustainable energy utilisation, clean environment and the country's image.

What was said by the participants in these conferences, and also conversations that I have had with leading figures in many countries – businessmen, global thinkers and pioneers in science – has convinced me that we can make Iceland into a centre of international collaboration on the development of clean energy, a centre in the quest to achieve results and divert the hazards posed to everyone on our planet by substantial climate change.

The world needs such a centre so as to focus discussions and decisions; to create more contacts and establish confidence. Participants could come from all over the world and the forum would be open to all and any who could make a contribution.

The contacts we have established with India and China could be of great value in this process. It would be easier for those gigantic nations,

which, with a third of mankind within their borders, will soon both be the main power-houses in the global economy, to approach solutions in partnership with Iceland rather than in power-struggles with the leading powers of the old world order.

The same applies to Russia, which, together with Iceland, Norway and the European Union, recently entered into a new agreement on closer collaboration in the Northern Regions, but studies have shown that climate change is taking place more quickly in these regions than in other parts of the planet.

Thus, Iceland has many advantages which make it the ideal place to take on this role – and if we succeed, we will reap considerable benefits, as the centre would bring us both economic prosperity and a position of respect in the world community.

In my discussions with investors all over the world, I have detected a growing interest in projects based on considerations of environmental protection and a new moral orientation. They want to make a positive contribution, and they see plenty of lucrative opportunities in sustainable development.

I have therefore decided to direct my efforts, and use my connections with influential people in many countries, to make this vision a reality: that Iceland become a centre of international collaboration and discussion on clean energy, a centre of knowledge and activities aimed at saving our children and future generations from the threat of irreversible climate change, and at the same time laying the foundations for a sustainable future.

We have many of the ingredients needed by such a centre: A superb team of scientists, engineers and inventors; companies that are among the leaders in their field, progressive banks and businessmen of global stature who have become leaders in the investment sector.

All these are vital resources. In addition, the smallness of our nation is a great strength, as it is often easier for others to come and participate in a forum that has been organised by a small country.

We ourselves have no ulterior motives; we have friendly relations with all nations and we pose a threat to no one.

Probably no other country is so well equipped to become such a centre.

In *Laxdæla saga*, when Ketill Flat-nose, a chieftain in Norway, is being persuaded by his sons to move with them to Iceland, he answers: “I shall never go to that fishing outpost now that I am an old man.”

Yes, for centuries Iceland was a fishing station and an agricultural country. Now it can become a driving force of a new vision for clean energy production all over the world. – Iceland: a symbol of new hope, a new age.

It is my sincere wish to work to make this a reality; there is a great deal at stake for us all.

The fortunes of the nations of the world are in the balance. No one who recognises our responsibility can continue to sit on the sidelines.