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Good morning. Thank you for inviting me to speak before such a distinguished audience. It is a true delight to be back in New York, to see good old friends and to meet news ones.

Ladies and Gentlemen,

Out of every hardship always comes a great lesson and, sometimes, even a great blessing. This past summer, Greece lived through catastrophic forest fires as did many European countries (France, Italy, Spain, Portugal), or the United States, from California to Florida and New Jersey. In fact, the late October fires in California reduced hundreds of houses to ashes – even killed people. It is only indicative that, compared to the 4.600 fires that erupted during 2006 in Greece, this year we experienced more than 6.400. In fact, when it all started on August 24, we had 124 fires pop up as compared to the 50 fires that had started on that same day in 2006. Unfortunately, weather conditions had all the ingredients for a perfect firestorm in the Peloponnese at that time: some of the highest temperatures, some of the driest landscape conditions and some of the most powerful winds. The fact that all fires started almost simultaneously and in mostly inaccessible mountainous areas, made it almost humanly impossible to put them out.

Talking to BBC World Service, an Australian expert in Fire Management Service was quite explicit in saying -- and I quote --: “not even the best forces and the whole of water tankers in the world will not be able to put those fires out.” Andre Billot, coordinator of the France Firefighter Airplanes was also noted saying: “I have worked on big fires in France, Spain, and Italy but I have rarely seen so many enormous blazes at one time.”

Dear friends,

A great lesson, a great collateral benefit came out of this hardship. And let me be more specific. With a fast and efficient plan put in place, all affected citizens were able to get compensation within only 3 or 4 days following the big fires. It thus became crystal clear to all that the Greek government has both the will and the means to implement a policy of minimum bureaucracy on all levels of the state’s transactions with the citizen. A new mindset, a new mentality, a new philosophy was applied with great

results. It is the philosophy of not seeing every citizen as a potential law-breaker but trusting the citizen unless otherwise proven. It is the philosophy of simplifying all bureaucratic processes and giving everyone the opportunity to maximize one's own and one's family potential as one sees most fit. By the same token, of course, it is the philosophy of a state that closely and strictly inspects and superintends all processes, implementing its laws in an uncompromising and non-negotiable way. The new Tax Reform Act which reduces taxes for both businesses and individuals falls under that same philosophy that has been successfully applied in many countries, including the United States where the IRS is an efficient tax administrator that - in an, as I said, uncompromising and non-negotiable way- applies the laws with fairness and integrity

On the front of great blessings now, I would like to say -especially when many Greek Americans are among us- just a few words about this overpouring of fellowship, of togetherness as all of Greece, all of Greeks from around the world (and, of course, from the United States) came together with a stronger sense of patriotism. It is only telling that, so far, the Special Fund for Urgent Situations has gathered \$200m in actual deposited money (and I repeat, deposited money, not pledges). For starters, this amount will be used towards the reconstruction of the houses; in other words, affected citizens will have their houses built free of charge. The project will start within the next few weeks. Last, funds coming from the European Union for that specific cause will also help towards the reconstruction of affected areas.

Ladies and Gentlemen,

It is the Greek economy, however, which has financed, for the biggest part, the compensation and reconstruction effort. Growing at an especial fast rate in the last couple of years, it now allows for funds to be directed towards urgent needs or social causes. But allow me, at this point, to say just a few words on the state of the Greek economy. After all, we will shortly have the pleasure and the honor to hear much more on that by our keynote speaker, Minister of Economy and Finance, Mr. Alogoskoufis.

As every student (including myself, although quite a few years back) is taught in Economics 101, a small country of 11 million people --that's 80% of the population of New York City! needs to adopt an outward orientation in order to achieve preeminent growth. In other words, it needs to follow an extroverted approach. Greece, my friends, has done this quite successfully.

First, recent developments have rendered Greece an energy hub, benefiting its economy and its international status alike. Specifically, in an elaborate ceremony in Athens in March 2007, Greece, Russia and Bulgaria signed the final deal for the construction of the "Burgas-Alexandroupolis" oil pipeline, expected to transfer 35-50mn tons of oil per year by 2012. In fact, it is the first oil pipeline to be built in Europe after 40 years. Offering economies of scale and complementing the Dardanelles, it will be a cost-efficient way for cheap and fast oil to be transferred to Europe and the Americas, in an environmentally-friendly way. The new Greek-Turkish gas pipeline will actually operate in the coming days. The Leaders of the two countries, Greek Prime Minister Mr.

Costas Karamanlis and the Turkish President Tayip Erdogan will be present. In addition, Greece, Italy and Turkey only recently signed an agreement in Rome, on constructing a pipeline to bring natural gas from central Asia to European markets by 2011 while the new Southstream gas pipeline from Russia to Europe will also go through Greece.

Last, my country played an important role in the creation of the European Energy Community (in October 2005) that establishes a single energy market in South-Eastern Europe and promotes cooperation and solidarity.

Second, Greece has maximized its distinct advantage in shipping and the maritime industry, with great economic results. With the Greek-owned fleet being the largest in the world and approximately 300 new ships currently being built, Greece transfers an increasing number of commercial goods and oil globally. Greece, thus, provides an important strategic asset at the same time that it is turning itself into an important distribution hub. In fact, the \$4bn Protocol with the European Investment Bank to upgrade our ports adds to the list of promising developments that have already started to transform our ports.

Third, Greece is a credible financial and business center in its neighbourhood, holding the position of the leading foreign investor in Albania and F.Y.R.O.M. and ranking among the first three in Bulgaria, Romania, and Serbia. With more than 3.600 Greek companies in the area and Greek investments exceeding so far \$16bn, we are the base for reaching out to a market of 160mn consumers, in all of Southeastern Europe.

In addition, our banking sector, which holds 16% of the region's banking market share, has invested millions of euros to acquire and build networks in countries like Albania, Bulgaria, or Romania. More than 1000 branches now operate in the region, while the National Bank of Greece is among the first five banks in terms of activity in Southeastern Europe. At the same time, Greek banks are progressively penetrating such promising markets as these of Turkey and Egypt.

Ladies and gentlemen,

Greece's extroverted growth has been coupled with bold reforms on the domestic front, like the New Tax Reform Act, the Investment Incentives Act, or the Public-Private Partnerships Act. The numbers do, in fact, speak loud and clear:

brisk GDP growth rate of 4,3% in 2006 and 4,4% in the first half of 2007

budget deficit down to 2,5% of GDP from 7,8% in 2004

unemployment rate reduced from 11,3% in early 2004 to 8,9% in 2006 and 7,8% in July 2007 (creating 250.000 new jobs, 80% of which in the private sector!)

receding inflation rate, at 2,9% in September.

It becomes clear that the solid performance of the Greek economy attracts our partners' attention on three different levels. First, foreign direct investment was eight times higher in 2006 compared to 2005. Second, tourism, which represents around 18% of GDP and contributes almost \$16bn a year to government revenues, showed a 10% increase in 2006. With arrivals in 2005 being the highest ever, we now offer Greek hospitality to more than 17 million tourists annually! Third, exports rose by almost 35% between 2004 and 2006.

Most importantly, however, Greece is a vivid example of how a country can accomplish for itself while being a positive influence for others. We are justifiably perceived as a beacon of stability, progress and prosperity in its neighbourhood. We enjoy, for that reason, great leverage and significant "soft power" to promote the shared goals of the international community in the region: economic development and integration to the Euro-Atlantic institutions.

And this brings me right to Greek foreign policy, which is directly linked, after all, to economic diplomacy. In that field too, it becomes apparent that my country has, in some ways, "shifted gears". Now thinking more globally, we better contribute to the solution of problems in a spirit of cooperation and with much increased credibility and regional influence. Specifically, we are building networks of cooperation that foster mutual trust as well as set the ground for the further development of our region. For instance, the Greek Plan for the Economic Reconstruction of the Balkans, a 5-year development aid program, allocates \$700mn from the national budget. At the same time, it fosters economic development, supports the democratic institutions and the rule of law and facilitates the European orientation of the Balkans.

And all the above is, of course, in full accordance with the principles of our foreign policy. In terms of Turkey, for instance, we support the prospect of Turkey's full accession to the EU, on the understanding that all terms and conditions set by the Union should previously have been met. In terms of the name issue with FYROM, Greece participates and will continue to participate, substantially and constructively, in the process of negotiations on the name issue within the framework of the United Nations, with the firm aim of reaching a mutually acceptable solution. In fact, Greece has demonstrated her desire to reach a solution that will lead to the full normalisation of bilateral relations, facilitate the course of her neighbour towards the Euro-Atlantic institutions, and consolidate stability and cooperation in our region. After all, it is in the interest mainly of Skopje to leave the past behind and be able to move dynamically into the future. It is clear, however, that FYROM's intransigence can not lead to any positive result.

Along the same lines, Greece plays a decisive role in the Black Sea Economic Cooperation organization and actively supported both Bulgaria and Romania's accession to the E.U. The active Greek participation at the U.N. Security Council in 2005-2006, the constructive way we handled the presidency of the European Union in the first half of 2003 and our significant role in humanitarian missions around the world all add to the reasons why Greece is now respected as a reliable player on the international scene. As a strategic partner in peace and progress.

Ladies and Gentlemen,

Like I said, the great blessing of fellowship and togetherness that came out of the fires is explicit both in the Greeks of the homeland and the Greeks or Greek-Americans of the United States. Your bond to the Patriida, to the homeland was put to test only to make it clear that it is growing stronger and stronger. It is this bond, nevertheless, that we need to foster. The government of the New Democracy and Prime Minister Karamanlis have already taken steps towards this direction: the Diaspora Greeks will have the right to vote in the Greek National Elections.

My friends,

Today, Greece, growing in an extroverted manner and implementing bold domestic reforms, has already achieved impressive results that allow us to put greater emphasis on the state's social policies for seniors and the poor. To create, in other words, a more efficient safety net for all those who need it. At the same time, the government is taking all steps necessary to simplify bureaucratic processes and create a more citizen-friendly state. After all and as I mentioned before, during the forest fires, we passed the first real test with flying colors.

Empowered by our economy's strong performance, inspired by our accomplishments so far, we work harder and harder to build a more prosperous country, a country that makes its citizens and Greeks around the world proud.

Thank you for your attention.