

**American Institute for Contemporary German Studies
Global Leadership Award
Honoring Prof. Dr. Wolfgang Reitzle
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**Speech by Prof. Dr. Wolfgang Reitzle
President and CEO of the Executive Board, Linde AG**

Ladies and Gentlemen,

Pride and gratitude – these are my two overwhelming feelings today.

On behalf of Linde and our employees all around the world, I am proud to receive this award because I understand the significant role AICGS has in building the relationship between our two countries, for mutual understanding and for the sustainability of transatlantic relations.

For more than a quarter of a century, AICGS has been one of the most important platforms for dialogue between Germany and America. This institute is a very successful think-tank, a barometer for a changing world, an advisor and a crucial partner in the community of values and responsibilities that we share on both sides of the Atlantic. These common values and responsibilities sustain German-American relations. And it is because of institutions like AICGS that our mutual trust and understanding is strong enough to overcome problems when they occur. I am sure we will experience this again in the upcoming days and weeks.

There can be few Americans with a better knowledge of Germany than Jackson Janes – and this is not only because he has a German wife. And together with him stands an extraordinary team of trustees and advisors, many of whom have gone far out of their way to be here tonight and who make the work of AICGS not only possible, but far reaching and transformative. Included among them are the Vice Chairman of AICGS, Roland Berger, and Co-Chairs Fred Langhammer and Gene Sekulow.

I am grateful because it is a tremendous pleasure to receive this prize which specifically recognizes the global orientation of our company.

To be singled out in this respect by AICGS and to be handed this prize from you, dear Jacques, is a great honor. This feeling is strengthened further still when considering the dignified ranks of past prize-winners. Just a few months ago the German Chancellor Angela Merkel was honored with the Global Leadership Award for her commitment to transatlantic relations.

The close partnership and friendship between the United States of America and the Federal Republic of Germany provided a critical foundation for the reunification of the two German states 20 years ago. The previous speakers have already touched upon this topic. We know that it was the USA that actively supported reunification from the very start. For this, we Germans owe a debt of thanks to our American friends.

Ladies and Gentlemen, just last week I was in Leuna, a town in Eastern Germany with a long tradition as an important center of the chemicals industry. Since reunification, the Linde Group has invested almost 500 million euros here, making it our largest production location in Germany.

Here, in the so-called “chemical triangle” of the former “German Democratic Republic,” I became aware of an important aspect of the reunification which is, in my eyes, too often overlooked these days. The “Federal Republic of Germany,” in the West, and the “German Democratic Republic,” in the East, not only founded a monetary, economic, and social union in the summer of 1990.

The two German states also agreed on an environmental union – with outstanding success, as we can see today. German Environment Minister Norbert Röttgen recently quite rightly pointed out that the environmental clean-up of Eastern Germany is one of the most successful chapters in the 20-year history of reunified Germany.

Let us remind ourselves: 20 years ago the towns in the “chemical triangle” in the GDR were regarded as the dirtiest places in Europe. In 1989, more sulfur dioxide and dust was emitted in this region than in the whole of the Federal Republic at the time.

After 20 years of hard work and high investment, the new federal states are now benchmark regions for modern environmental and energy technologies. There has even been an increase in life expectancy in eastern Germany as a result of the improved quality of the environment.

German Chancellor Helmut Kohl was right, when, in 1990, he spoke of the flourishing

landscapes which would emerge in eastern Germany. He has always stayed true to this long-sighted vision – despite fierce criticism during the first years after reunification. This is also something I would like to remind us of today.

Roland Berger's consultancy recently highlighted the significance of environmental technology as a leading industry of the twenty-first century in a study on the topic of "Green Growth." According to the study, the trend towards "green business" is irreversible. We are at the dawn of a "new economic age."

Now, I have known Roland for many years and I am therefore in a position to say that his forecasts have normally turned out to be correct – we have still managed to remain friends nevertheless.

The fundamental facts which support the trend towards a "green economy" are well known: greater environmental burdens due to a rapidly rising global population, increasing scarcity of resources whilst "raw material requirements" are rising, accelerated urbanization in all parts of the world – these are some of the key factors at play.

One of the greatest challenges of the twenty-first century is "climate change": the global warming of the Earth's atmosphere due to greenhouse gases such as CO₂.

So the big question is, what can we do to tackle this almighty challenge?

It is clear that the global energy mix in 2050 has to be very different from the one we have today. In the coming years we must largely eradicate carbon from our economy. We must develop a new model of prosperity in which climate protection and economic growth are not in conflict with one another.

Such a model of prosperity will have to contain two key components: the development of innovative technologies and considerable changes in our behavior as consumers – in other words, sustainable prosperity.

Personally, I am convinced that technology is the key, the decisive factor in a future low-carbon economy, or a "low-CO₂ prosperity." Progress in Germany has shown that it is possible to cut the link between economic growth and energy consumption through the use of modern technology.

Similarly, in the U.S., the Linde Group has shown how world-class technology can be used to develop safe and sustainable fuelling solutions. With a 2009 turnover of more than two billion U.S.-Dollars and roughly 4,100 employees, Linde North America is committed to collaborating on all levels to help conserve precious natural resources, and protect and enhance the environment. In California's San Francisco Bay area, we are working together with a local partner to supply the hydrogen and the fuelling technology for a new commercial fleet of hydrogen fuel cell buses. These buses will reduce carbon dioxide emissions in excess of 40 percent.

This example, where industry plays an active role, shows us, that the research, development, and market introduction of new energy technologies has reached an unprecedented level of significance. What we are talking about is a radical remodeling of our entire energy-system in a relatively short time.

However, modern technology alone will not be sufficient enough. There is also a need for people to alter their behavior voluntarily, and for social innovations such as a new understanding of prosperity.

In the saturated industrial nations of the West, people are increasingly asking themselves whether the glut of products and services is really contributing to prosperity. Could other parameters, such as the health of the ecosystem or happiness and life satisfaction, perhaps even make better indicators of social welfare?

Examples can be observed in numerous European cities, and in California. Here, an "eco lifestyle" movement is developing. Its advocates aim to live a life of sustainable prosperity and thus generate green growth.

I believe, we really do need both forms of innovation, technological and social. To achieve this, we need to tap into an absolutely unique renewable energy source: the human mind, its creativity and inventive talent. This applies to states, businesses, and consumers in equal measure.

Political leaders and legal frameworks should play their part in triggering a cycle of green innovation. As part of their economic stimulus packages, many industrialized nations have already launched programs with funding in the billions to drive forward the development of new

technologies for a low-carbon economy.

In my eyes, the industrialized societies of the West should take on particular responsibility and assume a leading role. We have to succeed in becoming a model of a society where people live in prosperity without placing excessive strains on the environment and the atmosphere.

The USA appears to be sticking to its tradition on this matter, preferring to boldly seek new technological solutions rather than placing its faith in national or international regulation-systems.

For example, where – if not in America – could a new campaign for sustainable green technology take root: a green “man-on-the-moon”- program. Environmental technology carries incredible economic potential and great opportunities, particularly for Germany and the USA.

I worked for an American company myself for three years, the “Ford Motor Company” in Detroit. I was always impressed by the “optimism,” the “belief in one's own strength,” and in the “force of progress” that I saw in this country. This is something that I sometimes miss in Germany and Europe.

We all know that the USA is currently going through tough economic times. But I am sure that this country will succeed in reinventing itself – as it has done so often throughout history.

This applies in particular to a reorientation towards a new, regenerative energy supply. This will be driven by the belief that we can bring about great change together, for the benefit of everyone.

Ladies and gentlemen, this is a matter of importance for all global leaders in the twenty-first century, whether in business or in politics: for global success you need not only staying power, but also the courage to tread new paths. We have to look for “opportunities for cooperation” which may have seemed unimaginable in the past.

All of us, together, we have to overcome limitations and break-down barriers – precisely because tomorrow's great challenges can no longer be solved alone.

Thank you.