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The second partnership that brings me to India is between two companies – New York Life and Max India Ltd.

I am fortunate to be spending this week traveling throughout India with my business partner, Analjit Singh of Max India Limited and my colleagues from New York Life. Max India and

New York Life launched a joint venture in India in 2001, and it

has quickly become one of New York Life's fastest growing and

most successful international operations.

Although we have operated in India for just six years, today we

employ some 19,000 agents in India, serving more than 100 cities and rural areas. Our experience with Indian consumers goes back even further. In the United States, we are the single largest provider of life insurance to the U.S. Indian community.

More than 30% of U.S. Indian households that have life insurance own New York Life policies. Many of our company's

top U.S. agents are Indian-born or are of Indian ancestry.

While our company is fairly new to India, New York Life has been in business in the United States for over 160 years, and is

number one in U.S. life insurance sales. We conduct business in

all 50 U.S. states and in nine international markets in Asia and

the Americas.

When India lifted the restrictions against foreign firms in the year 2000, we naturally had a strong interest in applying our experience with the Indian market in the U.S. to the insurance market here. We were fortunate to partner with Max India, a company that has the same values as New York Life: a dedication to the financial security of its customers and a commitment to conducting its business and community responsibilities with integrity and humanity. In return, we contributed the skills we have developed over the past 160 years

for building an agency distribution system that is acknowledged

to be one of the best in the industry.

New York Life's international markets now account for about one-fourth of our company's worldwide life insurance sales.

Within the next two to three years, I expect international insurance sales will nearly double.

So, international trade issues are of great relevance to New York

Life. And, right now, these are issues of immediate, pressing concern to all of us. My message to this group is a simple one

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in spite of all the work done to lower barriers to international trade and commerce in the past fifteen years, globalization is in trouble.

The tide of popular opinion is turning back toward protectionism

and isolationism – at a time when cooperation among nations and the economic stimulus provided by global economic integration are more urgently needed than ever.

In the United States, we have opponents to globalization at

both
ends of the political spectrum. International trade has become
a

rallying point for any number of advocacy groups who see
foreign competition as the root cause of a whole host of
economic, social and environmental ills. Meanwhile, popular
television commentators in the U.S. are fueling these fears,
painting a dismal picture of overseas workers and illegal
immigrants to the U.S. draining our nation of its jobs and
prosperity.

Never mind the fact that it has been proven, many times in
many
nations, that trade liberalization promotes long-term growth.
Never mind the fact that a good portion of the wealth created
in

recent years in the United States, in India, in China and in
much

of Europe is directly attributable to market globalization. In
times of economic uncertainty, people look for a villain.

In this month's U.S. Congressional election, a sizable number
of

office-seekers campaigned as "anti-globalization" candidates.

And many of them were elected. However, now Congress will
be faced with a dilemma: how is it possible to advance
economic growth by clamping down on trade? It just can't be
done.

Those of us who understand the benefits of opening markets
and

liberalizing trade have a responsibility to make our voices
heard.

In the U.S., The Business Roundtable, which is composed of
the

CEOs of the top 100 American companies, is seeking ways to

advance the global trade agenda within an increasingly polarized political environment. I have been active in the Roundtable's efforts to show legislators that globalization need not be a zerosum game, in which one nation must lose for another nation to gain. Instead, there are ways to achieve the economic benefits of trade while ensuring that labor rights are protected . . . environmental standards are maintained . . . and least developed countries are guaranteed preferred access to markets. The Business Roundtable is also working towards securing a Congressional vote for the renewal of Trade Promotion Authority, which gives the President authority to negotiate foreign trade agreements, subject to approval without amendment, by Congress.

A few weeks ago, I had an opportunity to share my views on trade at a university forum in New York. The audience voiced the usual concerns: Does more globalization mean fewer jobs for our own people? Don't we have a responsibility to protect U.S. manufacturing industries that are threatened by overseas competition?

I reminded them that the effects of global trade on American jobs are small compared to the ongoing churning of jobs that takes place in any growing economy. Far more job displacement in the U.S. can be attributed to advancing technology and increased productivity. For example,

American farm employment has been falling for decades – not because of food imports, but due to the mechanization of agriculture. There seems to be a fundamental economic law that applies to both new technologies and increased trade: Both have a

tendency to displace jobs, but both also help to significantly lower the cost of consumer goods and services. To give you an

example, consider the cost of a new color television set sold in the U.S. in 1970. It most likely contained vacuum tubes, was domestically manufactured and would have cost the average American worker a full month's pay.

However, if that same American worker were to purchase a similar TV today, it would most likely be manufactured in Asia,

contain solid-state technology and could be paid for with just two or three days' salary. If the U.S. banned all imports, the cost

of many consumer goods would more than double.

According to one study, the typical American household has gained \$10,000 annually from postwar trade liberalization. So, when my protectionist friends argue that trade barriers could save some American jobs, I ask them: At what cost?

Actually, throughout the last decade, America has been one of the world's largest importers of manufacturing jobs, with foreign

producers investing more in our country than we do abroad.

Today, one out of eight manufacturing workers in the United States is employed by the U.S. affiliate of a foreign-owned company.

Let me give you some examples.

As of last month, the three top selling 2006 model year passenger cars in the United States are the Toyota Camry, the Toyota Corolla and the Honda Accord. Toyota builds Camrys in

Kentucky and Corollas in California, and employs some 40,000

Americans in product development, manufacturing and

marketing – along with 75,000 more in dealer-related operations. Honda builds its U.S. Accords in Ohio and Alabama. That company manufactures more than 80 percent of

all its vehicles for the American market in U.S. factories. As you can see, it's no longer so easy to say which is the "foreign"

and which is the "domestic" product.

The U.S. aircraft industry has been another big beneficiary of expanded trade. The Boeing Company has firm orders from nine countries for 2008 delivery of more than 270 "787"

Dreamliners, the aircraft company's newest passenger jet. Out of these 270 orders, less than 20 are from U.S. airlines.

Imagine

where Boeing would be without access to foreign markets!

Unfortunately, there seems to be a growing number of people who would be in favor of limiting access to foreign markets, restricting international commerce and turning back the clock to

an earlier pre-global era.

Of course, not only is this unwise, but in the long run, it will prove to be impossible. Today's interdependence among nations,

coupled with the distance-erasing capabilities of technology, is

already transforming the world into a single marketplace.

Along similar lines, it is absolutely clear that many of the 21st century's greatest challenges . . . including the eradication of terrorism, the control of pandemics and the protection of the earth's environment . . . can not be effectively addressed by a single nation. All require a global perspective and all demand global action.

There are many, like myself, in the United States who believe

that an unhampered flow of international trade and international investment is a prerequisite for economic growth in both the developed and developing nations of the world. We are working hard to make the case for economic openness, with the media, in the halls of Congress and at forums like this one. If we are going to turn the tide of popular opinion, we need support from outside the U.S. And this is where India – a nation that is well on its way to becoming the world's second largest free market economy – can play a crucial role. India's ascendance as a global power will profoundly influence the events of this century. India now has the world's third largest army. India is playing a central role in the Iran nuclear debate. And, soon, India hopes to gain a seat on the UN Security Council. The United States and India both have much to gain through strengthening the alliance between our two nations. We have strong mutual interests in matters of national security. A strategic partnership between the United States and India can provide an important measure of future stability in a rapidly changing Asia. The recent exchange of state visits between our two nations and the decision to allow the export of civil nuclear technology marked a watershed in bilateral relations. It is also precedentsetting: This is the first time the U.S. has offered civilian nuclear cooperation to a nation that has not signed the Nuclear Nonproliferation Treaty or the Comprehensive Test Ban

Treaty.

In addition to finding new areas of strategic alliance, our two nations are also exploring new avenues for expanded trade. A U.S.-India Trade Policy Forum and Economic Dialogue have been launched, to stimulate government action on trade issues. The private sector will be called upon as well, with more opportunities for business leaders to suggest specific policy recommendations. And we are seeing an expansion in the number of areas of economic and trade cooperation between our countries, from civil aviation to agriculture.

Most encouraging of all, business between our two nations has never been better. On the bilateral trade front, trade between the

U.S. and India has been growing at 20 percent or more per year.

U.S. exports of goods to India rose this year by 35 percent, to \$9.5 billion. U.S. imports from India were up 26 percent this year, to \$17.4 billion. Yesterday it was reported that America's

largest retailer, Walmart, will be opening stores in India.

I couldn't agree more with Frank Lavin when he wrote yesterday: "My hope and desire is that every Indian business will have the opportunity to compete in the American market, and every American business will be able to offer their products

to Indian consumers."

There is still much that we can do right now to improve the outlook for global trade reform. First and foremost, India and the United States have a brief window of opportunity to help rescue the Doha negotiations by taking a leadership role together

and forging a consensus on unresolved issues. We are at a critical juncture and we must move quickly to end the stalemate.

Second, I would suggest that India has much to gain by further leveraging the relationship between foreign investment and domestic infrastructure development.

A few weeks ago, I attended an event in New York that featured

a number of the architects of India's economic reform.

Several

made reference to a recent address by Prime Minister Singh, in

which he noted that \$320 billion in additional investment capital

to improve infrastructure will be required in the next 5 to 10 years for India to achieve an increase in real economic growth from the current annual 8 percent to the desired 10 percent, as outlined in the 11th Five-Year Plan. He acknowledged that some

of this capital will come from the public sector, but he also commented that much of it must come from foreign direct investment.

This is where our insurance business comes in.

Large infrastructure projects -- such as power generation facilities, roads, airports, shipping ports, hospitals and schools

—

need to be financed with long-term debt. And no one is a better

customer for long-term debt instruments than the insurance industry. Life insurance companies must make long-term investments because we hold long-term liabilities — the claims we promise to pay to our policyholders. Essentially, we are

eager to lend India our capital to advance the infrastructure improvements Prime Minister Singh has proposed.

In our view, it simply does not make sense to constrain the insurance industry's ability to invest in India. For that reason, we have been actively seeking an increase of the insurance industry foreign equity cap, from the current limit of 26 percent

to 49 percent. Prime Minister Singh supports this position, and

we understand that legislation to accomplish this reform may be

introduced in the winter session of Parliament, now underway.

My own industry's concerns aside, it would be tragic to see India's economic renaissance of the past 15 years lose momentum. For this is truly a pivotal moment for India.

It is a pivotal moment for India's global leadership, as the nation

assumes a new level of influence on the world stage.

It is a pivotal moment for social and economic progress in India,

as the nation seeks the best ways to provide opportunity for the

underprivileged and the undereducated.

And it is a pivotal moment for India-U.S. relations, as these two

great democracies build an alliance based on mutual interest and

mutual respect.

The business communities of both nations believe in the promise

of this alliance and are committed to its fulfillment. Your enthusiasm and support for this trade mission is ample evidence.

As I mentioned to you earlier, in the insurance industry, we are required to plan and invest for the long-term. We are always trying to see around the corner, to anticipate what the world will be like the day after tomorrow.

Well, at New York Life, we have invested in India. And we will continue to invest in India. Because, from what we know of this nation, its leadership and its people, this is where tomorrow's best opportunities will be realized.
Thank you.