

Mr President of the Assembly of the Republic

Dr. Jorge Sampaio

Members of Parliament

Ladies and Gentlemen

My first words are to greet the Portuguese people. I greet all those who honoured me by their choice for President of the Republic.

I would like to assure each and every one of them that I will do my best to correspond to their trust in me, honouring the solemn oath I have just sworn, when I assume the powers and responsibilities of the office of President of the Portuguese Republic.

I want to be and I will be the President of all the Portuguese people. I hereby reaffirm my intention of strengthening the ties that bind us and of paying attention to the concerns and expectations of my fellow citizens as well as of those who were not born Portuguese but have chosen our land to live and find fulfilment.

I am most grateful for the words of greeting addressed to me by the President of the Assembly of the Republic who conducts the affairs of this parent house of Portuguese democracy with great dignity and wisdom.

I wish to express my respect for all the Members of Parliament, legitimate representatives of the plurality of the Portuguese nation. They may rest assured of my willingness to cooperate loyally with them to enable the Assembly of the Republic efficiently to fulfil its exalted responsibilities in building a country of greater progress, justice and solidarity.

I would like to thank the Heads of State and of Government and the high representatives of friendly nations who have honoured our country with their presence at this ceremony.

At a time when the difficulties Portugal is currently experiencing have been adequately diagnosed and identified I wish to reassure the Prime Minister and his government of my full willingness and commitment to a loyal and fruitful cooperation.

I would like now to pay a sincere tribute to the outgoing President of the Republic, Dr. Jorge Sampaio, for the dignity, patriotism and profound sense of State with which he carried out his terms in office. I am greatly honoured to

confer on him the Grand Collar of the Order of Liberty, at a ceremony that will be taking place later today.

At a time of serious difficulties the holders of political office have enormous responsibilities weighing on them.

Whilst respecting differences and the exchange of ideas, what the Portuguese expect and demand from the politicians they democratically elected is that they set aside fruitless divisions, trifles and squabbles that do little or nothing to resolve our national problems. They should not waste time and energy on recriminations about the past and should think of the future of the country. That is what matters now.

The diagnoses have been made. What the Portuguese expect from their representatives, each one with his own responsibility, is action and more action. At a time of great concerns, when there are so many difficult things to do, the Portuguese would certainly like to see that the political class, insofar as is possible in democracy, is prepared to unite efforts to overcome differences and to work together.

There are surely fields where broad agreements can be and should be achieved with the Government and the Opposition and even with organisations of our civil society.

That is why now, before this House and before the Portuguese, I venture to set out five major challenges that I consider essential, in the country's current circumstances, to forge consistent paths of progress. The Portuguese people feel the urgent need to hear politicians' response to these challenges.

The first challenge I wish to highlight is that conditions must be created to achieve a stronger growth of the Portuguese economy and consequently to fight unemployment and recover from our backwardness vis-à-vis the European Union. Otherwise everything will be much more difficult.

In the life of nations, each generation has the duty to bequeath to the next a society that is more developed in social, cultural and economic terms. That is what young people have the right to expect from our generation.

We live in an increasingly global world, we belong to a European Union that has enlarged to the east and therefore all national production is subject to extremely

heavy competition in the internal and the external markets. That is the reality that is now facing us.

Furthermore, we are on the periphery of Europe, being geographically located at its farthest southwest corner. We apparently face an adverse world. However, a closer look shows that we are the space where Europe opens out to the Atlantic, which can be an enormous advantage.

Moreover, periphery nowadays is no longer dictated by geography. Periphery is the dwelling place of competition. This and this alone, is the critical factor.

We will find development and populations' improved standards of living where there is innovation, creativity, research and technological development, good teaching, where universities interact with enterprises, where the State does not hinder citizens' activities but instead regulates and supervises compliance with the rules of healthy competition.

The fact that this course is within our reach is abundantly demonstrated by many of our companies in a variety of sectors that have high productivity, are committed to quality and innovation and are highly competitive on the international markets.

This is the path we have to follow because there is no other.

Nor can we forget that as a country we are strongly dependent on and inefficient concerning the use of energy and that facing us are important challenges connected with rising oil prices, secure supplies, climatic change and the demands of the Kyoto Protocol. The sustainable growth of our economy also involves having an energy policy that is adjusted to the new realities.

The second challenge is to make up our backwardness regarding the qualification of our human resources.

Portugal's future is closely linked to what we can achieve in terms of the quality of the education we give our young and the training of our workforce. It is not only a question of a central element of the development strategy but also a decisive factor for the achievement of effective equal opportunities, a fundamental principle of a modern democracy.

Fighting school failure and early leaving must be a priority for all politicians, so that a greater percentage of our young people actually finish secondary school.

To ensure this, it is vital to have the commitment of teachers and the active cooperation of parents, who must be convinced that the best legacy they can leave their children is education.

In the world we live in today, schools must teach but above all they must teach how to acquire learning. In fact, they must teach enterprise. The companies of today call out to whoever can be enterprising, whether a lowly worker or the managing director. Enterprise was slow to reach our schools and now we must step up the pace.

The third challenge is to create conditions to strengthen the credibility and efficiency of our legal system.

It is undeniable today that concerns about the workings of the legal system have redoubled among us. It is not merely a question of concerns due to the slowness of legal processes, but also of symptoms of the declining credibility and prestige of the institutions.

Justice constitutes a superior value of the legal order, an unassailable purpose of a State and the first and last guarantee of people's rights and liberties.

The political forces have an unavoidable responsibility to hear the opinion of the legal operators and then to create the necessary consensuses to guarantee the functioning of an efficient legal system characterised by quality, certitude and responsibility for its decisions.

We must all make an active contribution to ensure that we have in Portugal a legal system that inspires citizens' confidence concerning the defence of their legally protected rights and interests, represses violations of the law and does not create obstacles to the equitable development of the country.

The President of the Republic will always support any changes that prove to be necessary to strengthen the democratic legitimation of judicial institutions, guarantee their independence, the prestige of their holders and the efficacy of the undeniable function attributed to them by the Constitution.

The fourth challenge concerns the sustainability of our social security system.

A rising feeling of disquiet has been growing in Portuguese society and in other European Union countries, concerning the State's capacity to ensure future payments of pensions to those who are nearing the end of their active life cycle.

This is a very serious issue requiring particular attention from politicians. It is vital to intensify the technical studies and promote a wide-ranging national debate on the medium and long term sustainability of the financing of our social security system. It would be in everyone's interest to achieve a broad political consensus concerning the appropriate strategy to deal with the ageing trend in the Portuguese population and the fall in the birth rate.

The fifth challenge I would like to mention is that of making our political system credible. This is an area where citizens are expressing growing dissatisfaction and this should not be ignored.

In a society founded on democratic principle, politics is one of the noblest activities, because it concerns achieving the common good and preserving and strengthening the abiding interests of a national community. Precisely because of this, democracy is not just about elections and alternating governments. It is above all a moral code, hence its supremacy over all other political regimes.

Political agents must be an example of a culture of honesty, transparency, responsibility, scrupulousness in the use of State resources, with a public service ethic, respect for people's dignity and fulfilment of promises made.

A State at the service of all as required by democracy must be served by the best and so the choice of non-elected persons occupying positions of great responsibility must be guided exclusively by criteria of merit, where there is no place for political and party considerations.

A regime founded on these values is a regime that must be firm in fighting corruption, precisely because it corrodes democracy by subverting its core values, creates injustice in a regime whose basic principle is justice and endangers development.

In the name of democracy, therefore, we must constantly fight without quarter against this enemy of democracy: corruption. We need firmness in our laws, which must be adapted the better to fight the more common forms of corruption, and we require firmness in its investigation and punishment.

One of the fundamental principles of political action is respect for the dignity of human beings, where the corollary is that development is economic so that it

can be social. That is why the search for social cohesion and just development for all must be a priority for all politicians.

We should be particularly concerned with those whose special vulnerability exposes them to greater adversity and misfortune.

I refer specifically to the old, to people with disabilities, to the unemployed and to the victims of violence with particular emphasis on those among them who are most unprotected: children.

Improved social justice, fighting exclusion, helping the needy in our society, are reasons enough to make the country re-embrace the struggle for the creation of wealth.

To be fair, development must also be sustainable, taking into due account the legacy we must transmit to future generations.

If pursued with common sense the policies to protect environmental quality and rectify the disorder in land use should not be seen as constraints to development but as elements of innovation and modernisation that make the country more competitive.

Whilst it is true that our mother country is not only the Portuguese language it is no less true that it constitutes the greatest symbol of the collective identity of a people who are also characterised by their humanist and universalist vocation.

I extend a particularly warm welcome to the Portuguese-speaking nations of Africa, Brazil and Timor. We are linked to all by the strong ties woven by history, with all we have privileged relations, we speak the same language, we form the Community of Portuguese-speaking countries. We might even say that we form a community of destiny.

I will spare no efforts to enhance this community in the conviction that, together, we can build a whole that is much greater than the sum of its parts.

“A snippet of land trimmed by the sea,” was how Miguel Torga described our country. The time has come to pay renewed attention to the sea. The vast zone under national jurisdiction that makes us a major oceanic nation and the natural bridge between Europe, Africa and America, encloses economic potentialities and a strategic value that we must not neglect. In addition to its historic significance the sea constitutes an enormous opportunity for Portugal.

Fellow Portuguese,

It is an illusion to think that however committed and assured they may be, the actions of the Government, the Assembly of the Republic and the President of the Republic are enough to help Portugal overcome its current difficulties and conquer the challenges that face it.

As I have repeatedly said, at times like these that are certainly not easy, Portugal needs everyone. We are all responsible for our collective future. The country's situation is too complex for people to think it does not concern them but only the others.

It is wrong to believe that the State solves everything or almost everything. The State is not the depository of all the problems afflicting us..

As President of the Republic I will do my best to ensure that our Portuguese society will, on a part with its rights, have a civic culture of responsibility, where each person understands that it is his or her duty to contribute to the country's progress, thus improving his or her own personal situation.

Please help Portugal overcome its difficulties. That is the appeal I make to all of you now.

Portugal wants all the Portuguese to have an attitude of dedication to work, of conscientiousness and persistence, to make a redoubled effort to do what has to be done properly and with quality, to form a new attitude of creative initiative and optimism founded on the certainty that our problems are no greater than our collective wish to resolve them.

We require a realistic attitude from workers and their unions to make it possible to defend jobs and the purchasing power of salaries, within the internationally demanding framework in which our economy is placed.

We need to increase our productivity and to be more competitive. Do not think, however, that productivity is low because Portuguese workers do not work enough. On the contrary. What happens is that the work is not efficient and in most cases it is not the workers' fault.

If the challenges of the present concern our workers, they certainly demand a lot from our entrepreneurs and managers. The entrepreneurial class must be the driving force behind changes in companies, encouraging technological

modernisation and innovation in products and processes, promoting the qualification of human resources, boosting creativity and rewarding merit.

Entrepreneurs and managers should concentrate on specialising in products with greater added value, improving management quality, finding new markets and making the best use of the opportunities offered by globalisation. That is how entrepreneurial success is achieved.

Attempting to preserve competitiveness at the cost of low salaries is a strategy without a future.

Universities and polytechnics are required to understand the new world in which we live. They must commit to excellence at all levels, join the international networks that are in contact with businesses and interact with them so that scientific and technological know-how helps to increase the country's competitive capacity.

The moment is a challenging one for those who serve the State. They are required to provide a better service for its citizens and companies and, with their characteristic sense of responsibility, they must also be the driving force behind change and not a hindrance to the economic and social life of the country.

I am convinced that they are the first to acknowledge the need to advance with the reform of public administration in order to improve the quality of services provided, cut down on bureaucracy, increase transparency and gradually reduce the weight of public expenditure.

I remind all families and teachers that they have responsibilities in training our young people. Parents and schools should be permanently committed to ensure that our young people will at least complete their secondary education, so that they can succeed in the information society and in the globalised world.

Throughout the three decades of democracy made possible by the 25 April Revolution local authorities have given an inestimable contribution to improving people's standard of living. They must now adjust their action to the difficult financial situation of the Portuguese public sector and to the new conditions of development the country now faces. Local power must also be concerned with companies' competitiveness and their job-creating capacity.

I would ask all the Portuguese around the world, to whom I express my esteem and solidarity, to cast insofar as possible a fresh look on the investment and wealth-creating opportunities in this country that belongs to us all.



Mr President of the Assembly of the Republic,  
Members of Parliament,

We cannot conceive our foreign policy independently of the country's internal reality.

It will be easier to defend Portugal's interests on the international stage if we feel confident of our capacities. A stable, mobilised country, a country that grows and progresses, a country that creates and innovates, a country that can embrace the opportunities it is given will certainly be a more respected and credible actor on the world stage.

I believe in a strong Portugal that is worthy of its history. A country that brings its own contribution to and participates actively in that extraordinary project that is the European Union. The European Union has enlarged and other enlargements are underway. This only happens because the European Union is a successful project. We must not forget this, at this current moment of reflection on the future of Europe.

We should not have any illusions, however: there is the risk of citizens not identifying with the European Union we are building, either because they feel too far away from the decision processes or because they do not find the answer to their problems within that Union.

I am a firm believer in the European integration project. The European Union is a fundamental framework for the affirmation of our interests. But our partners must see us as a committed and participative actor who can constitute an added value.

For the second half of the forthcoming year Portugal will for the third time assume the Presidency of the Council of the European Union. We will therefore have a unique opportunity, whilst repeating the success of the previous presidencies, of strengthening the image of integrity and credibility that we have set so far.

The construction of a healthy transatlantic relationship is vital for Portugal and for the European Union. As democratic States, open to the confrontation of ideas, we are all, on both sides of the Atlantic, particularly well positioned to

understand the naturalness of differing opinions and even the wealth that can come out of such differences. As responsible States, however, we must do everything to prevent what links us and is so vital from being sacrificed on the altar of what may circumstantially divide us. This is a strategic concern for Portugal, originating in our geographical circumstances, our historic legacy, the presence of large Portuguese communities on the other side of the Atlantic and, let us not forget, in a communion of principles and values.

During the election campaign I undertook a number of political commitments that I now make a point of reaffirming on this solemn occasion.

The Portuguese know that I have always seen stability as a basic requirement for the proper functioning of our institutions and for the achievement of the changes required for the country's development. Nevertheless, I believe that political stability is not a value in itself. Stability is a condition, not a result. And for stability not to be taken for immobility, we must make it dynamic and reforming.

According to my reading of the presidential powers set out in the Constitution, I consider that the President of the Republic must keep a strict eye on government action and be decisively committed to promoting dynamic stability in the democratic political system.

I also believe that the challenges facing Portugal at this historic moment require a presidential magistrature favouring broad consensus concerning major national objectives.

It is around the many things that link us that the President of the Republic can act with relevance in his relationship with the other organs of sovereignty, in particular the government.

I think that the country needs more than mere institutional cooperation, that the Portuguese have a greater ambition regarding the person who, under the terms of the Constitution, represents the Republic and is the first guarantor of the regular functioning of the democratic institutions.

Given the major challenges facing Portugal I believe that the President of the Republic must do more than just promise institutional loyalty to the other State powers. The President of the Republic must be committed to real strategic

cooperation concerning the major national objectives, with the remaining organs of sovereignty and in particular with the legitimate government of Portugal.

The Portuguese are well aware that, besides political stability, I have always valued the dialogue between the various political, economic and social agents. I believe, in fact, that there is an essential interdependence between stability and dialogue.

On the one hand, only stability will enable authentic fruitful dialogue and, on the other, dialogue is one of the core elements of political stability and social peace. That is the meaning of the President's strategic cooperation with the other organs of sovereignty. To put it simply, it means working together. We must all work together. By hearing what the Portuguese have to say, by listening to the country, the President of the Republic can be a privileged interlocutor of the expectations and legitimate concerns of civil society, without assuming the role of mouthpiece of corporative interests and without interfering in the actual sphere of competences of each organ of sovereignty.

In addition to respect for the separation of powers, I have also made a political commitment of impartiality. Whilst carrying out the duties invested in me I will treat all political and social forces representing our society equally. I will be the President of all Portugal.

As Supreme Commander of the Armed Forces, a position attributed to the President of the Republic by the Constitution, I believe that it is important to strengthen the cohesion and prestige of the military institution and this objective must permanently be a priority of all politicians.

The Portuguese population must know that our Armed Forces have demonstrated exemplary professionalism on the foreign missions in which they have been involved, contributing to Portugal's prestige and helping to strengthen our position on the international scene. In articulation with the other organs of sovereignty I will keep a close eye on the restructuring and modernisation process of the Armed Forces and I will encourage joint work between the various arms in order to reinforce the forces' operative capacity and promote appropriate rationalisation of means.

I greet the autonomous regions of Azores and Madeira, fruitful achievements of our democracy, as testified by the economic and social progress registered in these regions in the last two decades.

As guarantor of the unity of the State and defender of national cohesion I will seek to contribute to a climate of good relations and loyal and constructive dialogue between the organs of regional government and the Republic. I will do my utmost to ensure that the specificities of these regions are taken into account, in the framework of solidarity between the different parts of the nation.

On this very day 506 years ago the fleet under Pedro Álvares Cabral sailed on its immortal voyage of adventure and discovery. They had embarked with great pomp on 8 March, the date set for the departure. All conditions were in place, but something was missing. The wind changed and Cabral's fleet had to wait in the Tagus estuary for the following day, 9 March 1500. Only then did all the ships and caravels set sail with the favouring winds filling their sails. 44 days later they landed in a bay on the other side of the ocean. The Captain baptised it Porto Seguro, Safe Harbour. Here they safely disembarked in the New World. Today, so many centuries later, as we invoke the collective memory, we do not merely wish to celebrate our past. On the contrary! A living fatherland offers us endless exemplary episodes that serve above all as inspiration for the present and give us hope for the future.

I wish my election as President of the Republic to be associated with a good time for the life of this country, I hope that favourable breezes may conduct us on the right route, that the Portuguese refresh their hopes and gain the courage and the belief to steer their collective vessel beyond distance, uncertainty and the unknown, to a safe harbour.

I have no doubts that the times are hard. But we have before us a great space of optimism, which is the space of will, courage and determination.

I am proud of my country and of its history. For all we have endured as a people. We have experienced great moments, one might even say moments of glory, but also moments of difficulty and anguish. But we are here. When we needed to – and we have needed to quite often – we mobilised our best efforts and succeeded. I am convinced that we will succeed once again.

Today, as we did yesterday, we will prove that we can overcome the tyranny of resignation and the constraints of pessimism. I, personally, am profoundly convinced that our determination is greater than any melancholy, that our hope is stronger than any resignation, that our ambition overcomes any

despondency. I know that like me the Portuguese will not be resigned to a lesser fate.

In the history of peoples it is never too late to achieve our dream and fulfil hope. It is never too late provided we are strong and united, provided we are proud of what we are and provided we know what we want to be.

What the high points in history have taught us is that we are people marked by dissatisfaction. Let us be marked by the ambition to achieve more and greater things. Let us be marked by the idea that we are agents of history, lords of our destiny. We are a people capable of overcoming the difficulties at testing times. The Portuguese can count on me.

I am here to serve the Portuguese and to serve Portugal.