



**Address by
the President of Iceland,
Ólafur Ragnar Grímsson,
at the opening
of the Althingi
1 October 2009**

When the Althingi now convenes again, so soon after its long and difficult summer session, let us hope that we will soon see the end of what has been the most difficult period of recent times in the history of Iceland, a period that has tried the patience of both Parliament and the people, a period of turbulence and confrontation, not least here outside the Parliament building, with a new disposition following from a general election and a change of ministers in the Cabinet.

Many difficult steps are now behind us: measures that stirred up contention and proved difficult to implement, that were painful for many—not only those who had behaved recklessly or foolishly, but also many who were moderate and sensible, but now find themselves carrying heavy burdens laid on their innocent shoulders by the unbridled self-interest and greed of others.

Thousands of homes are ensnared in real difficulties: unemployment, bankruptcy. Uncertainty, even fear, are there as unbidden guests every morning; loss of property, loss of wages and mounting debts are the news of the day. The dispute with two of our neighbouring countries has still not been resolved, and other nations are awaiting the outcome before honouring their promises of help.

All of this is difficult to bear. The responsibility of those of us who were, and are, the elected representatives of the nation, is unequivocal and ineluctable. We must all remember this in the months and years ahead when solutions are sought, when the foundations of a new era are laid down and the frameworks of our markets and financial system are rebuilt, this time with greater care than before, with restraint and strict regulations.

These twelve months since the collapse began, just as the Althingi convened at the beginning of October last year, have been a time of taking stock, of re-evaluation. The investigative committee appointed by the Althingi will shortly be submitting its report; the special prosecutors will present their charges and the courts will judge on questions of culpability. However, the whole nation will have to go on grappling with the consequences of the excesses, and it is important that the Althingi provide the leadership that will be called for, that it succeed in laying aside party-political rivalries when the future of the nation demands a broad consensus.

Such a consensus was obtained in centuries past, when the deliberations of this chamber were marked mainly by the campaign for freedom and sovereignty.

It was obtained when all parties rallied together to lay down the foundation of the Republic which was greeted with the unanimous support of the nation.

It was obtained for the most part when our economic zone was enlarged in stages, even though British warships were three times deployed in attempts to break the will of the Parliament and the people.

These victories in earlier times are an encouragement to us to go on clearing up after the collapse, and to join together in laying the basis for reconstruction, restoring the old, tried and trusted values of solidarity, mutual assistance and brotherhood, honour and honesty; values that used to be the mark of the Icelandic nation but were bulldozed aside in recent years.

In carrying out this task we must draw strength from our history and the resources of our nation which are proving to be the basis of a more vigorous resurgence than was foreseen last winter.

Fortunately, unemployment has so far appeared on a smaller scale than was feared at first, even though it is now afflicting thousands of homes.

Our young people have demonstrated their faith in our country and the opportunities it offers; and fewer have moved abroad than predictions indicated last year.

The traditional occupations of fishing and agriculture provide us with the means to live on; their flexibility and vigour are demonstrated as they earn, or save, foreign currency for the nation, with the result that the economy is in a better position than was expected in the most pessimistic forecasts.

Tourism, especially in the areas around the country, generated more wealth this last summer than often before. In many regions the numbers of visitors were so great that the local communities were hardly able to cope and the tourist presence became a striking part of local life. My old home town, Ísafjörður, was a port of call for 27 foreign pleasure cruisers, most of them carrying more than a thousand people, with passengers and crew all told, and some of them considerably more. Only a few years ago, no such ships were seen there. Examples of positive developments can be found in many places all around the country.

Economic activities drawing on education and talent, know-how and skills, have also continued to grow and consolidate themselves, notwithstanding the collapse of the banks and other aspects of the recession. Many of the companies in the informatics field, and other technical spheres which have established a presence on foreign markets, are experiencing considerable expansion, and it is gratifying to witness their optimism and hear their ideas about the future.

Iceland's achievements in the utilisation of clean energy are known and recognized far and wide, and many from abroad are seeking to work with us; the demand is greater than we can supply. Aluminium companies, data storage centres and hi-tech industries of various types are competing for access to Icelandic energy, and in many parts of Europe, Asia – India and China – the Middle East, Africa and Central and North America there is interest in collaborating with Icelandic scientists, engineers and technicians.

Four international conferences on energy issues were held in Iceland this summer. They were attended by hundreds of influential people, delegates from leading companies and scientific institutions in all parts of the world. These were the Executive Assembly of the World Energy Council, the congress of the International Hydropower Association and also a large gathering of experts tackling the challenge of carbon capture and storage and another dedicated to a “green” revolution in traffic systems. Deliberations at all these conferences went ahead in a very positive spirit regarding Iceland; many participants praised our achievements and expressed the wish for closer collaboration with Icelandic enterprises and individuals, engineering consultancies, research institutes, scientists and technicians.

It is certainly gratifying to know that notwithstanding the collapse of our financial system, our difficulties and our mistakes, Iceland's reputation in many fields continues to be sound and our attainments commands respect. Also, many people are impressed with the way we have responded to the crisis; they respect the fact that difficult and painful

decisions have been taken regarding the economy, that democratic elections have been held and that a clear path has been marked out for investigations and legal proceedings where there are suspicions of irregularities and crime in the events leading up to the crash.

In conversations I have had with many influential people who have visited Iceland in the past few months, and also recently in New York and Washington, and at meetings with heads of state and leaders in international affairs, the sciences, environmental fields and business, I have been aware of a great deal of friendly feeling towards our country and a deep belief in our ability to regain our former strength quickly, both in view of our natural resources and the talents and education of our people.

Now, as we plan to put greater effort into rebuilding our economy, restoring prosperity to households and strengthening the foundations of our welfare, it is valuable to be aware of this goodwill and support from abroad.

Last winter it was often said here in Iceland that antagonism and hostility towards Icelanders had sprung up abroad, and it sometimes seemed as if these claims were undermining our resolve.

But this is now not the case. We have many allies, solid friends who know that a transformation of the global energy economy, in the spirit of what has been done in Iceland in recent decades, is a condition for being able to save mankind from the horrendous consequences of climate change.

Influential figures have said that in comparison with that challenge, tackling the current economic recession may for mankind prove to be relatively simple. At a conference on energy issues held by the US Council on Competitiveness in Washington last week, Iceland was repeatedly cited as a model whose example other countries would have to follow.

The task of reconstruction will soon become pressing, and we must not fall into the trap of letting the difficulties of the moment obscure our view of the positive side: the opportunities that present themselves and the store of success and experience on which we can draw. The recession has mainly affected Reykjavík and the urban centres nearby; fortunately, other regions – Western Iceland, the West Fjords, the North, the East and the South of Iceland – have demonstrated great strength over the past months.

Agitation, justifiable anger and disappointment are not the only feelings that have been in evidence in recent times. We have also been aware of a determination to press forward; this has been expressed calmly and positively. Every weekend from the beginning of summer through to the autumn, tens of thousands of people have attended gatherings all over the country: cultural events and local festivals, sports tournaments and family-oriented celebrations, historic and other important anniversaries.

The great level of participation in these activities, possibly greater than ever before, demonstrates that the nation is by no means dispirited or cowed. On the contrary, people have travelled far and wide to express their good spirits.

This may seem paradoxical, yet it indicates the collective strength of the Icelandic people: in times of trial, we join hands and close ranks, determined to move forwards.

The results achieved by our export industries – fishing, power production, informatics, manufacturing and tourism; the opportunities embodied in the natural resources of our country and the talents, skills and experience of our people; the solidarity that has been shown at well-attended festivals and local events; the friendship and goodwill that we are shown all over the world – all these things can serve us in the months and years to come as the basis for a new era of progress.

Progress that will underpin our welfare and restore prosperity to the ordinary person, creating employment for all and consolidating the foundation of our living standards.

Progress that will be shaped by lessons that the mistakes of the past have taught us; progress that is tempered by a new moral foundation, by thrift and foresight, communal responsibility and transparency.

Now, as the Althingi meets again, all the conditions are in place for the Parliament to join forces with the nation and make every effort to ensure that by next autumn, the new era of progress will have begun, while the times of difficulty will be rapidly receding.

That such an era of progress can commence in the second half of next year is a realistic proposition; it is the task of the Althingi and of us all to make it a reality.

In the spirit of this vision, I call upon the members to rise and honour our native land.