On this day, 100 years ago, the Icelandic flag was first raised here, in this place. December 1, 1918 was a lovely day here in Reykjavik – the weather was cold but clear, ships had pulled into the harbour and the pennants of the new Icelandic flag flew on the ships. There was a crowd of people in town and the solemnity of the occasion was all-encompassing.

Sovereignty had not come automatically and neither has the history of Iceland in the last 100 years been a history of tranquillity and rest. The work towards bringing Iceland into the group of the most affluent independent nations in the world has been unceasing. Many dreams have come true and Iceland is now at the top of many of the lists that measure prosperity and welfare. The community has become more diverse and the origins of the people of the country are more diverse now than they were in 1918, and their histories and backgrounds are different.

There is no doubt that sovereignty turned out to be a driving force for achieving all this success. We wanted to control our own destiny and we succeeded, although we did not just glide through the century without struggle. There have regularly been burning issues that have divided the nation into different factions and differing opinions have been debated, not the least in the arena of international relations, but also in the struggle for better wages, a higher standard of living and for equality. When disasters have struck, the people have set aside their differences and come together as one.

But does sovereignty have any meaning in our daily lives? And what meaning does it have in our minds, for us who live on this island now, 100 years later, in a completely different society where everything has changed, the community has become more diverse, the quality of life has increased, and the opportunities are completely different from what they were a century ago?

When Icelandic Language Day was celebrated two weeks ago, I visited the Hamrahlíð sixth-form college and got a chance to have a chat with the young people. They had big ideas about the future, were optimistic about the fate of the Icelandic language, enjoyed thinking about their future occupations and studies and found it important to be able to have a say about their destinies. Maybe this is exactly what sovereignty is about – we were able to achieve the ability to have a say in our own destiny, and that matters to us, even though we do not all agree on where we should be heading and some decisions may not lead to success. It is important for us to take responsibility for our own destiny, both as individuals and as a community.

But what are our choices now, when it comes to our destiny? We, who constitute the Icelandic community, know that we have been given a great responsibility. We know that we possess nature that is unique, the biggest untouched wilderness in Europe, renewable energy sources that will be a precious resource for Iceland in the future, bountiful fishing grounds and unique beauty. We know that ours is a language with infinite nuances, an infinity of words for light, darkness, wind and sea. A language that stores the Icelandic world of ideas all the way from settlement times, where people change colours when overcome with emotion and leap their own height wearing full armour and where women refuse to give men a lock of their hair. We have a community that has matured and developed. In 100 years, we have built hospitals and day-care centres and research laboratories and theatres and libraries. We have developed social security and codified important human rights. Our numbers have grown, and we have become more diverse. We speak a hundred languages. We program computers, perform surgeries, teach children, fish, or do something completely different. We write and sing and create and act. We are he and she and ze. We are of all kinds.

The story would probably have turned out differently had we not reached the historical sovereignty agreement with Denmark. This agreement is, in many ways, historically unique because it was reached peacefully, through negotiations, without bloodshed and without any permanent resentment on either side.

Sovereignty has done much for us that we can be thankful for, but at the same time it imposes on us an extensive burden of duty. The duty to safeguard the unique natural treasures we possess and to use our resources in a sustainable manner. To ensure that all of us who live here can enjoy social goods and participation in the community. To manage the economy and creation of value sensibly in order to ensure a good standard of living for all of us. For us to safeguard and speak the Icelandic language and ensure that we do not just use it to talk about ancient heroes and fierce women but also about what happens in computer games, in the financial markets, in meteorology and space science.

Dear fellow Icelanders

Whichever side of the dice we look at, we can see that we have made many successful decisions in the past century that have led to Iceland having a good community, a high standard of living and a good standing in international comparison. At the same time, we all know that we can do better and the task of managing a good community will never end. However, the story of our sovereignty makes us optimistic that we will continue to tread the right path to building an even better Iceland for all of us.