My Fellow South Carolinians:

Thank you for that warm welcome. I would take this moment as well to say thank you to so many of you who worked so hard to make this day possible.

I'd begin with family, but I guess that's no particular accomplishment since they had to help. None the less, thank you.

To friends both old and new, thank you.

Some of you talked to friends at work or school. Others prayed and talked to friends at church. Many of those who helped I've never met, but all believed that change was vital to South Carolina's future. Jenny, our boys and I are humbled by what has happened. It is my goal to honor the trust each of you has placed in me, and this new administration.

To members of Congress who were kind enough to come over to South Carolina, thank you.

To Governor Hodges and his wife Rachel, thank you for being here and for your years of service to the people of our state. I would also say to the long list of former governors, from former Governor Hollings up through Governor Beasley, thanks as well for what you did as well to better South Carolina.

To the legislative body gathered here today it is my hope to build a collaborative working relationship with each one of you. I admire the way each one of you cares about our state, and I'd offer particular thanks to the legislative leadership for their help during transition.
I also want to recognize the promise that comes with each one of the constitutional officers just sworn in - I look forward to as well working with each one of you. In not my, but our collective hands, is held the promise of change.

But before I get into that let me begin with this: I have always been leery of inaugural speeches. The notion of some person in politics promising all sorts of things....the least of which was that "today is a new beginning" to me sounded phony. Yet here I am, one who believes in the need for change at ...an inaugural. So I will only say this, it is phony to suggest that with the wave of a hand things will change.

It's for that reason I have always loved the story of the Antarctic explorer Sir Ernest Shackleton. He and 29 fellow sailors found themselves trapped in the ice pack off the Antarctic continent in what developed into a two year struggle for survival and a situation none of them should have survived. They survived on a diet of seal and penguin and the dogs from their own dog team, they tried to walk to Paulet Island, they rowed to Elephant Island, sailed for a month in a little life boat called the James Card to South Georgia Island, they climbed a mountain range.....and in the end every man survived because they stayed true to what they knew at the beginning....that the only way out was with each other.

It was through:
Collective effort
Focused vision
Persistence
Sacrifice and bold steps

that they changed from being in a situation none should have survived to a situation all did.

In the same light, just 30 years ago when Col. Hal Moore and his men from the 7th Cavalry landed at LZ X-ray in the Ia Draing Valley, in what was to have been a routine patrol, they instead found themselves as the first engagement between North Vietnamese regulars and American soldiers. Men of that unit like:

1st Sgt. Larry Gilreath from Belton,
Cpl. Ray Tanner from Johns Island,
Command Sgt. Maj. Southern Hewitt from Florence

honor us with their presence here today and are the backbone to what makes this state and country great. I believe you are heroes, and each of you, and others like you in uniform today, bring great pride to our state and set shining examples of what real sacrifice and commitment and honor are all about.
Sgt. Hewitt would also tell you they found themselves in a situation none of them should have survived, but that most did because they once again stayed true to what they knew at the beginning....that the only way out was with each other.

It was through:
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that they changed from being in a situation none should have survived.

That change was needed to Shackleton or Moore was obvious. Any objective look at our state would lead to the same conclusion.

When per capita income of our people is 81 percent of the national average, and we trail many of our neighboring states as well....change is needed, because without it means limited opportunity for too many, and too many parents watching their children leave our state to find jobs.

When a $5 billion budget is $1 billion out of balance....change is needed.

When nearly one third of our students don't make it through high school....change is needed.

In the book "Red Hills and Cotton," a South Carolina tenant farmer described his difficult decision to leave the land for the factory at the turn of the last century. He said simply: "I want to improve my condition. I want to educate my children. I want them to have things better than I have had."

Those few words express the hopes and dreams of every parent in every generation.

In our state, it's crucial we give every parent the opportunity to fulfill that desire and to do so we must recognize there's a transformation taking place in the world economy as profound as the transition from the farms to the factories in the last century.

Our country is becoming increasingly high tech and knowledge based, and the question is will we be prepared for this change?
I think we can if we recognize this new direction involves the understanding that taxing and spending policies, education, economic development and quality of life issues are not separate disciplines, but interrelated foundations upon which our future rises or falls.

And the ultimate question is how do we forge this new direction? 
...and I would say through

Collective effort
Focused vision
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Sacrifice and bold steps

And staying true to what Moore and Shackleton knew, and what we know, and what was in fact recognized by Martin Luther King - whose birthday we recognize - and that is that the only way out, the only way forward, is with each other.

It is imperative that everyone have a chance at the economic ladder, and to do this we must be a state of economic opportunity. Those opportunities can only come if we make the changes that prepare us for the national transformation headed our way.

So let us use this inaugural day as a day to reaffirm our collective values that make this state unique and special.

Let us renew our commitment to each other, our families and the communities we live in, the future our children will inherit, and the transcendent faith that governs our civility.

But most of all let's draft a contract that looks to the future. It is Ecclesiastes that says where there is no vision the people perish. In these perilous budget times government cannot be all things to all people, and we need to more carefully define our priorities as a state.

Let's sign a contract where I commit to earning the trust of every South Carolinian, not just those of my party or those who might have voted for me.

Let's sign a contract that asks more of each one of us as South Carolinians. If we are going to be a state of opportunity we also have to be a state of responsibility. If we want better health can we begin with what we ourselves eat, if we want better education can we begin by checking the homework of our own children?
Most of all let us commit to a plan that involves those sometimes bold, sometimes small but always meaningful steps that bring change, a plan that reexamines the way we do things and think. I know mine won't be the only plan, but I believe in it, I campaigned on it and I will push hard for it.

I said from the beginning of this campaign, that we thought there were a couple of building blocks key to advancing incomes and our futures here in South Carolina.

1. We have got to look at the way we tax:
Tax policies have to be tied to sustainable economic growth, not only for large industries, but small businesses, which account for most of our jobs.

They must reflect our determination to make South Carolina a haven for entrepreneurs with good ideas, and this was the idea behind our income tax proposal.

While some will say we cannot cut taxes while we are in a budget crisis, I say that if we don't make fundamental changes in our tax system - we will never put our state on the kind of economic footing we need to keep South Carolina home to our grandchildren.

2. Look at the way we educate:
Through the years South Carolinians have come together on the need to improve our schools. We have made remarkable strides in accountability, teacher pay and other key areas.

We will not retreat from this commitment - but we have to do more. My friend Jim Miles used to say - and I suspect still does - if you keep on doing what you have been doing you will keep on getting what you have been getting. He is right.

I believe we need to redouble our efforts to make certain money in education makes its way to the front line of the educational battlefield, the teacher and classrooms, and that we need more choices in public education.

On the choice issue alone, many students in this state can compete anywhere in the country. But others, through no fault of their own, can't.

President Bush has declared that no child should be left behind. If we're honest about it, though, we know that South Carolina is still leaving children behind.
Parents with meager means have the same aspirations for their children as other parents. Children from poor families have the same needs as other children.

I know we all will stand fast on improving our public schools. But I ask we go one step further by insisting that parents with children in failing schools have more options because it's the right thing to do and it will in no way compromise our commitment to public education.

3. Let's look at higher education:
We will never have the resources to allow every institution to be everything to everybody. To be blunt, there's something wrong with a system that forces colleges and universities to hire lobbyists to compete for funding.

The fact that many of our employers can't find skilled labor suggests that change is needed. When, according to the Governor's Work Force Education Task Force survey in 2001, 61 percent of South Carolina businesses could not find the kind of skilled employees they needed....change is needed. Research universities, teaching universities and technical education schools all are critical to our future. But we need more focused roles, better coordination, less duplication and better responsiveness to the work force needs of this state.

I'm open as to how this should be done. But I'm determined that it will be done.

4. Let's revisit restructuring:
A key component to accomplishing what I've laid out before you is continuing what Carroll Campbell started in 1993.

He understood the need for fundamental, structural reform of government to address modern problems. As he put it, horse and buggy government does not work in the space age.

He said at the time that more restructuring would be needed. I believe that time has come.

My administration plans to formulate policies that will improve the economic well-being of our people and raise the per capita income over time. This will be part of the mission of all cabinet-level agencies and all appointees.

But there are many agencies, boards and commissions that still perform functions outside the purview of the governor.
Further restructuring can enhance efficiencies, save money and speed reform. I intend to work with the General Assembly toward this end.

And let me say a word to the thousands of state employees who ultimately have to make our policies work. As we ask you to serve the people of this state, we need to keep faith with you by recognizing and rewarding your hard work.

While on this topic please allow me a personal reflection that I know all South Carolinians share. Restructuring was just one of many historical achievements for Governor Carroll Campbell. His decisions saved lives during Hurricane Hugo and his efforts sped rebuilding in its wake. He kept the state together during Lost Trust.

So much of what he did is still felt today, from the jobs he created to the Governor's School for Science and Mathematics.

Carroll, I just want to thank you and Iris for everything you've done for South Carolina and for the personal kindness from both of you to me and Jenny and our four boys.

5. Let's not lose sight of quality of life:
For some quality of life means health care, for others an adequately funded law enforcement, others a transportation system that works - all these are parts of quality of life.

But one key part of attracting participants in the technology transformation around us will be simply not losing sight of our state's beauty.

There is a real pride of place that exists in our state and it has yielded us a tremendous advantage in the way we look and feel as a state and it is important that we not lose it.

Each one of these five areas just mentioned are a few of the many building blocks key to keeping South Carolina home to our children, and as we embark on this course, I will give you three principles that will guide my administration.

First, people will get straight talk. I won't try to sugarcoat problems or sweep them under the rug. I will lay them out as best I see them.
Second, this government exists to serve and not to be served. If you believe as I do that not my or your strength, but God brought us to this day, there should be a humility that comes with trying to fulfill his purpose in that day.

I believe in the concept of servant leadership and I will expect members of our team to hold that perspective, because it is insurance against the most frequent form of loss in government - lost sight of who the boss is - the taxpayer.

Third, as best I know how I intend to be governor of all the people. I don't have all the answers for the issues that divide us. But on this, the birthday of Dr. Martin Luther King, Jr., I pledge to be open, to reach out and to listen because no political party or group has the market cornered on wisdom.

Let me say finally by taking small steps in the right direction:

Shakelton and his men not only survived, but became a story memorialized in the book "Shakelton - the Epic Story of Survival." Col. Moore and his men not only survived but were as well memorialized in the book and ultimately the movie, "We Were Soldiers Once and Young."

The question for everyone of us today is how will the actions we take today be remembered tomorrow. I think if we take the right steps, some of which I talked about in my campaign and again today, we can have a remarkable impact on South Carolina’s future.

Let's pledge ourselves to beginning that process today because among other reasons Jenny and I were at the funeral a few weeks ago of one of South Carolina's great visionaries, Charles Fraser. He was buried under the Liberty Oak at Harbour Town and it was there under that mighty oak that I heard the words of South Carolina historian Charles Joyner, who in surveying the state of the state since the sixties, said this: "Some say there has been no progress, but they have forgotten where we started. Some would stop here, for they cannot see how far we still have to go."

Ladies and gentlemen, it is a privilege to inherit a place in time so many others worked so hard to create. It is a responsibility to build upon the foundation they laid.

With God's help, we will do just that.