

Her shape is not instantly recognisable on a map. Her contribution to the arts over recent years has been negligible. Most people probably couldn't even name one her dishes, yet Portugal has suddenly become fashionable. But fashionable for what?

Countless hours of sunshine, a coastline boasting more surf than anywhere else in Europe, and more fresh fish than you can shake a rod at are just a few of her attractions. Though if you were to ask someone what they knew about Portugal, the most likely response would be 'It's next to Spain'. Formerly synonymous with pensioners on golfing holidays, the country is experiencing a rejuvenation spearheaded by the popularity of her cosmopolitan capital.

The first thing you notice about Lisbon is the cobbled streets. Virtually every pavement is a huge mosaic of black and white stones. If this sounds cool, try walking on them in thongs. A few stones are always missing, and this is just enough for a broken ankle. The scale of such artwork is truly impressive, but ladies, don't even contemplate stilettos.

These cobbles do create a unique atmosphere for a European city, and strolling down the stylish Rua Augusta it's easy to see both Spanish and Moroccan influences on architecture. It is even more obvious, however, to see the Moroccan influences on the merchandise for sale on the streets.

In no other city have I been approached as often and offered hashish. Elegantly dressed North Africans tilting trilbies and producing brown blocks as big as their hands. Wearing a shirt and slacks I don't even resemble the archetypal user. Heaven knows how many times I would be propositioned if I paraded around the Baxia area wearing tie-dye trousers.

But leather is abundant on both the streets and in the shops, and isn't illegal. And the price you pay for a well tailored jacket could indeed make you feel high. In fact, all clothing is much cheaper than most other EU countries and this makes Lisbon an ideal destination to stock up the wardrobe.

So this makes you wonder why the locals dress so badly. The city itself may well be considered fashionable at the moment, but the people who live here fall a long way short.

Lux is widely regarded as the trendiest bar in Lisbon and it's not difficult to see why. Just opposite Santa Apolonia station, this thriving three-story dance venue with TV screens the size of houses would put most Australian bars to shame. A huge chandelier made discretely from tampons marks your arrival in the foyer but the 'sweater over the shoulders' look of the clientele marks the departure of style. The men here seem to be dressed for an audition of 'The Graduate' and I stand out a mile having not bought my clothes from Gap.

Portugal was the founder of modern day Brazil, so you kind of expect the natives to be able to Samba. No such luck. It is unusual to see anyone moving more than one body part at any one time. The Lisbonites are very conservative in relation to their colonial cousins, and this may explain the abundance of khakis.

A conversation with a man at the bar produces an insight into the minds of the locals. "Being cool in Portugal is all about looking good, and not making a fool of yourself". But since he's dressed like a Harvard preppy, this man has clearly failed on both counts. Showing me his Cartier watch, he continues "In modern day Lisbon there is a lot of money for people, and we like to show the girls that we have it". "I'm sure they'll be impressed," I assure him.

In Carcavelos, the story is very different. The beach resort is only thirty minutes by train from the capital, but it's a different world. Ernando calls me over to make up the numbers in a volleyball game. "The people in the city think they are very big, but they are very stupid. You don't need money when you have beaches like this," he explains.

On the subject of dancing, Ernando convinces me that he has the groove. And after a display of samba with his girlfriend that makes me feel particularly inadequate, he wrestles her to the sand before throwing her into the sea. "We have a lot of fun out here," he says, but the look on the girl's face suggests otherwise – the Atlantic water is as cold as England's.

But if you are looking for cool, you should head for Sintra. The hilltop hideaway of former kings is the epitome of style. The sixteenth century Palacio Nacional is celebrated for its eccentric architecture, and the surrounding buildings overlooking deep ravines create an atmosphere unmatched throughout the whole of Europe. The incredible views are what inspired poets like Byron to write so much about. Sintra is the place that people have raved about for centuries and you would be a fool to leave it out of an itinerary. The town has an unusual Englishness about it and there is nothing more cool than being sat among the green trees taking in the crisp air with hot tea.

Incidentally it was Portuguese explorers who were the first to bring tea back from the Far East, not the English. And as you sit in the swanky cafés of Sintra it is possible to spend a whole day gushing out such cultural trivia, being thoroughly intellectual and utterly fashionable, Darling.