Mr President,  
Ladies and gentlemen,  

Let me begin by saying how grateful I am to the University Institute for inviting me to address this Jean Monnet Conference. It is a privilege for me to speak in this place where minds reflect serenely, far from the madding crowd, as it were. The very serenity of your Institute brings us all the closer to the great man to whose memory this Conference is dedicated.

The place is special, but so are the people in it. It is a great pleasure for me to address this gathering not only of research workers and intellectuals but also of political decision-makers and the representatives of the social partners who are constructing the European social dialogue and thus working to make our innovatory design work in practice.

And the timing is also propitious. We are at the crossroads once again as the dust settles on the great changes of the last few years and the new challenges of the coming years loom ahead. The factors that have lately changed the face of Europe were both endogenous and exogenous. On the domestic front, public opinion has entered the debate about Europe in no uncertain fashion, and this is a major event in the history of European integration, for it shows that democracy is alive and well. What better response could there be to Jean Monnet's famous statement that 'We are not forming coalitions among States but union among people'. Internationally, the demise of communism in Central and Eastern Europe forces us to rethink the future of our continent and to see the European Union as the business of the whole of Europe.

These are so many challenges for us, and we have four opportunities to meet them:  
- the 1996 Intergovernmental Conference,  
- economic and monetary union,  
- the overhaul of our financing system, and  
- enlargement, in particular to include Central and Eastern Europe.

Let us make no mistake about it: when I refer to changing the face of Europe, that really is what is at stake. But the face of an adult does not mature overnight; it is the fruit of many years' development and experience. Plastic surgery and face-lifts are not on the agenda; we will proceed in stages, taking advantage of past experience and using the strength that flows from continuity.
Enlargement offers Europe a wonderful opportunity to come to terms with itself and secure continent-wide stability, spread the democratic and social model, secure our medium and long-term economic interests and thus discharge our moral duty. Like all challenges, of course, this opportunity contains an element of risk. But I will not give in to the moroseness that is currently fashionable. Those who talk so much about the difficulties of the day seem to forget how far the Union has come and how strong it is; they cannot see the wood for the trees. What really struck me at Majorca was that the Heads of State or Government were unanimous in their rejection of the general moroseness and their determination to step confidently towards the future; there was not a single expression of dissent from this frame of mind. The pessimists and the fatalists are simply wrong.

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Not that optimism means playing down the stakes. On the contrary. What we have to do is make up our minds about what sort of Europe we want. The question may seem overly general, to the point even of being banal. But like it or not, that is the question before us. We really do have to start rethinking our achievements and the tasks ahead of us in the light of enlargement: what do we want to achieve together? What can we achieve? Each and every one of us, jointly and severally, will have to answer a series of questions, and remember to do so by reference to a Europe conceived in continental terms:

Do we wish to preserve the acquis communautaire that has evolved over the years? Are we ready to deepen it and to give ourselves the means to do so?

Do we accept the idea that the real diversity of situations within the Union does not preclude a unitary approach and the pursuit of shared or common objectives?

Are we ready to pay the price that internal solidarity will cost?

Are we ready to work together to build up a real, coherent external policy?

Are we determined to guarantee real freedom of movement of persons in a system that secures the highest degree of security for our citizens?

These are the questions the Member States are asking themselves. So are many of our citizens, incidentally. So what should our answer be? Should we tell them they are not asking the right questions? Surely not; we cannot keep our heads in the sand. The questions must be answered and it is mainly down to the Commission, which is after all under a duty to speak on behalf of the general interest and to take the long-term view of our future. The Commission also has the task of preserving all that has emerged from 40 years of unceasing efforts And above all, it is up to the Commission to safeguard the Community method which means that the Union is a community founded on the rule of law, on original institutions and on the principle of solidarity between its component States and their citizens.

I shall return in a moment to the urgent constraints that impel us to preserve the sui generis nature of European integration and the Commission's role in it. But first I should like to share with you a few thoughts on the four dates in our diaries that press us to come up with answers soon.

They are all closely bound up with each other. The Union has never been a patchwork of isolated achievements but rather a continuously woven fabric in many colours and thicknesses produced to a single design. Economic and monetary union, which is now firmly on track, requires new political progress. The Intergovernmental Conference cannot be imagined out of the enlargement context. And the financing system has to be conceived in terms of equipping the Union with the means to move ahead into the 21st century.

The components form a whole, then, but we must be careful not to confuse them. I shall stand firmly by the timetable that has been set; it differs from one subject area to another. The Intergovernmental Conference will commence in 1996 and is to end by 1997. Immediately after that, the Commission will propose a new financial package to give us the means we need to welcome new members to the club without having to sell off what we have accumulated to finance their membership. You are aware of my determination to keep economic and monetary union on track, with 1999 as the ultimate deadline for the introduction of the single currency.
The path ahead was charted at Maastricht; we must now press ahead with rigour and determination, raising no new barriers and accepting no detours. On the enlargement issue, I want preparations to be handled thoroughly yet speedily. We know that negotiations with Cyprus and Malta are to begin six months after the Intergovernmental Conference ends. I should hardly be surprised to find they were not alone. Be that as it may, I want to see the negotiations completed as quickly as possible, though that does not mean I am unaware of the difficulties in our path. The European Union will do all in its power to overcome them. That is, incidentally, the spirit of the pre-accession strategy, in which the Commission will be most actively involved.

The issues you have asked me to look into are of such fundamental importance that it is simply not possible to cover the ground in the space of a few minutes. No doubt there will be other opportunities to go more thoroughly into specific aspects. Today I shall concentrate on the two main objectives of the Intergovernmental Conference, and they will inevitably bring me to the role of the Commission, which is at the centre of attention just now. The first objective is to go further than Maastricht on a number of points, deepening them, as we say in Eurospeak. This is a three-stage process. First, more efficient and more democratic decision-making procedures are needed to confer legitimacy on what we do. Second, we need a genuine common foreign and security policy to make our long-term strategies viable. Third, real progress in justice and home affairs is needed to establish and consolidate an area within which liberty and security are the rule of the day.

The second objective is enlargement. As I said a moment ago, we must have the courage to ask the right questions. But that entails rethinking some of our ideas rescues and seeing them in proper perspective. At no point can we reasonably confine our endeavours to a purely mathematical adjustment. The number of Members in the future Commission or Parliament is not the only issue that matters, however important it may be for safeguarding our institutional viability. What really matters is the qualitative leap, what I would term the 'systemic review'.

Enlargement, you see, does not only increase numbers; it expands diversity. So we must devise the tools for managing diversity, which in turn means that we must think very openly, for the moment of truth is upon us: just how far can we go in applying differentiation techniques in Union membership without jeopardising the Union acquis? How far can we respect diversity without endangering the unity of the European venture?

Here again I must be very clear.

I shall do all I can to oppose the emergence of a Europe a la carte. That would be the end of European integration. There are those who argue that a Europe in which each State could pick and choose from a menu of policies in accordance with its own taste would be conducive to a great free-trade area, but that is not just the minimalist approach, it is frankly wrong. Without solidarity between Member States and cohesion within the Union, the internal market itself would soon come under threat.

Let me also warn the proponents of the clean break. They are as dangerous as the proponents of the status quo and bunkered conservatism. Both extremes misapprehend the two major driving forces behind European integration— the existence of a method, and its flexibility, which are the reasons for our optimism. Of course the method that Jean Monnet bequeathed us needs adapting to modern circumstances. But the spirit must remain intact. The Community spirit is the embodiment of creativity. It combines the supranational with the intergovernmental in a sui generis system that maps out a third way.

This tension has always been present: it is the defining force of the European Union. But if we are to raise our ambitions, every stage on the way will be a more acute problem than the one before it. Let me take the example of the Maastricht Treaty. Much ink has been spilled over the second pillar—the common foreign and security policy— and the third pillar—justice and home affairs cooperation. There was a time when I was on the other side of the negotiating table, as it were, and I saw clearly how difficult how it would be for 12 of us to press ahead when we were not ready to adopt the Community approach. But was this really a dramatic problem? There has already been progress in that these things have been brought within a single institutional framework. I still remember how we dealt with justice and home affairs before the Union Treaty came into force. The Council President had to juggle with timetables and coffee-breaks so that the Commission representatives could discreetly leave
the room when certain items came up for discussion. How are we to explain to the man in the street that
the Commission must not be allowed to hear the Member States discuss how to coordinate their
policies on combating drug addiction, large-scale organised crime or terrorism?

I have suggested that this was not a dramatic problem. But please do not imagine that I am satisfied
with the situation. Our ambitions in relation to justice and home affairs cooperation have fallen short of
the general public's expectations. There is a mismatch between the arrangements that have been put in
place and the real needs, as the Commission emphasised in its report on the operation of the Union
Treaty. My view of the position regarding the common foreign and security policy is a little less black
and white. The problem is a delicate one. For one thing, our common foreign policy lacks will and
determination. For another, pronounced national sensitivities are still with us. But what I want to do is
to warn against the emerging drift. Some of the larger Member States cultivate the illusion that it is
better to go it alone and act outside the context of the European Union, overlooking the fact that acting
in dispersed order is less efficient than pooling endeavours. The smaller States, meanwhile, are
sometimes tempted, like Pontius Pilate, to wash their hands of the great diplomatic issues. And you
know as well as I do what fate befell Pontius Pilate: if we ignore what seem set to become footnotes in
the history books, we will be ignored in the books themselves.

The new Treaty will have to find ways out of these impasses. The Commission is resolved to play its
part. Experience has shown that where the Commission is unable to play a full part, the pace of events
is slow. The common foreign and security policy and the third pillar clearly illustrate this. Please do not
misunderstand me: I am no institutional empire builder. That is not my style, nor that of my colleagues.
That is why I wanted a political Commission, to be sure that the Commission would be dedicated to
defending the general interest and to making clear to the general public what is at stake at any given
time.

Ultimately then, I must focus on the Commission, though I realize of course that it is one component of
an overall institutional equilibrium in which the other institutions, notably the Council and Parliament
but also the Court of Justice, have fundamental roles to play.

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Before I begin, let me defend myself in advance against accusations of special pleading. I have been
involved in Community business one way or another for many years now, and it has always been my
deep conviction that the Commission is the cornerstone in the Union edifice. I have two reasons for
that.

The Commission's job is to ensure that the general interest predominates and to take the long-term
view. And that in turn is why it must remain independent, keep its exclusive right of initiative and act
as guardian of the Treaties.

In addition, it must be responsive to diversities of situation and yet generate a consensus. Its
composition, the principle of collective responsibility and its very decision-making procedures have
been conceived with a view to attaining that dual objective.

And it must not be forgotten that the Commission is the executive branch.

I have placed the accent on the general interest. That is the factor which gives the Commission its
particular legitimacy. Now could one possibly imagine a Union without a central body to act as a
counterweight to individual interests? The general interest is far more than the sum of all the
component interests. It is a long-term view of our common future.

And it was for the sake of that long-term view that the founding fathers felt the need to establish an
institution capable of resisting the centrifugal forces that are bound to surface in the Union. Faced with
the mutual distrust of the States, the inevitable struggles to gain influence, the presence of individual
short-term interests, the Commission is the permanent feature at the core of the system.

The principal factor that accompanies this function as defender of the general interest is the
Commission's independence. It is the necessary condition for its initiatives to be the expression of the
common interest and not simply the balance of power between States; the long-term vision and not the arithmetical total of local interests.

All must be done to preserve the independence of Commission Members. I wish to emphasise this in both action and words. Commission Members must be aware of the heavy responsibility entrusted to them. And they must acknowledge that the Commission will sometimes be making proposals that do not match their personal preferences, precisely because it must seek the higher general interest.

It is for the sake of the general interest also that the Commission enjoys the exclusive power of initiative. This is the only way of securing equilibrium between the Commission on the one side and the Council and Parliament on the other. There is no other way of guaranteeing institutional equilibrium while avoiding the cacophony that would flow from multiple sources of legislation.

This right of initiative has been a major motive force behind European integration. If the Commission exercises it responsibly, then that in itself offers the other institutions an assurance. The Commission has agreed, for instance, to take the fullest account of Parliament's requests. And since I took up office as President, I have underscored the need to act less but act better, for which purpose I have laid great store by extensive consultations with all interested circles upstream of formal legislative proposals. Incidentally, in those areas where the Commission has no monopoly of the right of initiative, in justice and home affairs cooperation for example, the Member States regularly ask it to make proposals all the same.

That, in a nutshell, is my view of the defence of the general interest.

Just now I mentioned a second defining characteristic of the Commission—responsiveness to diversity and the generation of consensus, the two aspects being inseparable. The two aspects are reflected in the Commission's composition and modus operandi but also, more profoundly, in its general organisation. Its membership reflects national diversities—one or two per Member State. By the way, I hear much ironical talk about the determination of the Member States to preserve their representation within the Commission.

At a time when Union membership is likely to expand, this is sometimes felt to be irrational. But I cannot go along with the argument. The Commission simply does not represent national interests. It has regard for national sensitivities, but that is by no means the same thing.

Public opinion in a Member State might be rather sensitive on this or that point. Or there might be practical difficulties in applying this or that Community rule in this or that Member State. I was aware of all this as Prime Minister of Luxembourg. And as Commission President I am still aware of it. If the Commission is truly to express the general interest, I feel that at the present stage of European integration there must continue to be a national of each Member State at the Commission's table, though new solutions doing away with that principle might be devised at a later stage. But this does not, of course, mean that we should not seek ways of keeping the Commission manageable as the number of Member States increases. We need to find imaginative solutions.

The corollary of this responsiveness to diversity is the ongoing endeavour to generate consensus. Within the Commission itself, the principle of collective responsibility is the manifestation of this endeavour, but it is already going on upstream of the Commission's own decision-making: the European civil service is competent and multinational, and it is mindful of national and sectoral interests when preparing its original drafts for the Commission.

The Commission, moreover, is an executive body. My philosophy in this respect has always been that efficiency, responsibility and unity are more important than the acquisition of new powers. I cannot repeat often enough that the Commission is not expecting new powers to be conferred on it as a result of the 1996 Intergovernmental Conference.

But let us try and imagine our future enlarged Union with even greater diversity of membership. The complex, decentralised structure will have to be built up around a lightweight but strategic core. And here I feel bound to stress the three golden rules of the Community executive: be efficient, responsible and united.
Efficiency first. The Commission is already working closely with the national authorities on the implementation of Community decisions, and will have to do so more and more unless it wishes to see its administrative structure crumble under the weight of a burden of management tasks for which neither its staffing nor its traditions have equipped it. We all need to take a more positive view of the committee procedures whereby working parties assist the Commission in its management functions.

Let us drop our sectarian quarrels. The system set up in 1987 provides a simple and generally efficient means of securing the requisite convergence between the Commission and the national authorities. Perhaps the system could do with a little more transparency; but there is no alternative way of involving the national authorities—and their knowledge of local realities—to the right degree and at the right time. The efficiency of the Community method, then, is clearly founded on cooperation between institutions, on institutional complementarily.

I personally attach great importance to clarifying this position, for it will help to relieve the legislative institutions of tasks that truly belong to the implementation of the legislation they have enacted.

Then, responsibility. Greater efficiency implies greater responsibility. I do not mean the Commission's responsibility as an institution in relation to the Union's legislative bodies. The Union Treaty considerably reinforced its accountability to Parliament, and the experience of the Parliamentary confirmation procedure when the new Commission was appointed has given a lasting new political dimension to the relationship between the two institutions.

What I am thinking about is the responsibility that evolves as the corollary of the expanding range of checks and balances to which the executive is subject. There must be a degree of equilibrium between responsibility and control. Excessive controls stifle initiative. Inadequate controls stifle confidence and trust. I perceive two threats to the Commission and the Union in today's situation:

First, financial controls are proliferating and overlapping. The result is a cumbersome set of nuisances that are actually to the detriment of sound financial management. I personally and my colleague Erkki Liikanen are actively engaged in reforming the Commission's financial and accounting procedures, a mini cultural revolution is on the way. But I am still in favour of overall management control reflecting modern accounting approaches with ex post evaluations applicable to all.

Second, regarding the Community's external relations, I am seriously concerned about the fragmentation of responsibilities between the Commission and the Member States, especially in the new areas covered by the Uruguay Round agreements. Arguments about controls but also about national interests have the effect of dispersing Union influence in international bodies, and first and foremost within the World Trade Organization where major reforms to the world economy will be hammered out in the next five years.

I am open to any change in the rules that will give the Council quicker and better information about the Commission's action on the instructions given to it. But please, may we at least make the instructions clear. What really is at stake now is the Union's ability to speak with a single voice. And since the representatives of the social partners are in the audience today, I hope they realize what harm can be done to the Union's activities by action in a dispersed manner on things such as the environment, fundamental social rights, competition and development, to take but a few topical examples.

Finally, unity. Speaking with a single voice is important, but so is having a single script. There was a time when there were separate Communities with separate institutional set-ups and separate executives. As the Community gained in economic coherence, especially under the Treaty of Rome, it was felt that the executives should be merged.

Today, there are those who argue for reversion to separate executive bodies within a single institutional system. They put forward considerations of efficiency or clarity in support of a specific body appointed by the European Council to elaborate and conduct the common foreign and security policy. But efficiency would not be boosted by a dual structure for Community initiatives in external relations, with separate pillars managed separately. Nor would clarity, with three voices speaking for the Union—the Presidency, the Commission and Mr/Mrs CFSP. I think this is the wrong answer to the real question: how are we to take the fullest advantage of the synergy between political and economic functions of foreign and security policy?
My experience suggests that the Union's major partners, President Clinton, say, or President Yeltsin, have perfectly understood the bicephalism of the Union as it stands and the strength that it confers. That is what we need to reinforce now, by strengthening the Presidency and establishing institutional links between the Commission and the Council at all stages of foreign policy—analysis, decision-making, implementation and representation.

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This evening I have spoken only of the European Commission. But actually the Commission is part of a very dense interinstitutional equilibrium, and the Commission cannot be reformed without reference to the other institutions. The cooperative equilibrium is probably our Community system's most precious asset. The fact is, at any rate, that the Commission is the cornerstone of the edifice. If a single keyword were needed, 'catalyst' would strike me as the most appropriate evocation of the energy and determination mobilized here.

Ladies and gentlemen, the scale of the difficulties facing the Union and its Member States today is matched only by the scale of their responsibilities. Some of the most European among us, those of us who are most firmly attached to what was so noble about the origins of European integration, are preoccupied. But let me remind them of Jean Monnet's answer to those who enquired whether his reaction to uncertain events was optimistic or pessimistic. 'I am not', he said, 'an optimist or a pessimist; I am resolute'.

I should like to share my resolution with you. Europe will survive the period of change ahead of it. It will take a political view of what is at stake. It will be able to renew the articles of association, so to speak, between the Union, the peoples and the States of Europe. When I see what has already been done, I am greatly reassured in my conviction.

It is above all the historic responsibility of the governments of the Union States to do so. But it is down to the Commission, as the institution that protects the general interest and takes the long-term view, to remind them of their role and responsibility in the matter. The Commission over which it is my honour to preside, ladies and gentlemen, is aware of its duty and will perform it.