

# THE SINGLE ACT AND EUROPE:

## A MOMENT OF TRUTH



by Mr Jacques Delors

Florence, 21 November 1986

EUROPEAN  
UNIVERSITY  
INSTITUTE

NINTH  
JEAN MONNET  
LECTURE





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## **Contents**

	<i>page</i>
INTRODUCTION BY THE PRINCIPAL OF THE EUROPEAN UNIVERSITY INSTITUTE, PROFESSOR WERNER MAIHOFER	5
ADDRESS BY DR DOROTHEE WILMS, MINISTER FOR EDUCATION OF THE FEDERAL REPUBLIC OF GERMANY, ON THE OCCASION OF THE CELEBRATIONS TO MARK THE 10TH ANNIVERSARY OF THE EUROPEAN UNIVERSITY INSTITUTE, FLORENCE, 21 NOVEMBER 1986	10
INTRODUCTION BY THE PRINCIPAL OF THE EUROPEAN UNIVERSITY INSTITUTE, PROFESSOR WERNER MAIHOFER	20
NINTH JEAN MONNET LECTURE, DELIVERED BY PRESIDENT JACQUES DELORS: 'THE SINGLE ACT AND EUROPE, A MOMENT OF TRUTH'	21





**Introduction by the Principal  
of the European University Institute,  
Professor Werner Maihofer**

*Mr Delors,  
Dr Wilms,  
Your Excellencies,  
Colleagues and friends,  
Ladies and gentlemen,*

It is both an honour and a pleasure for me today to welcome to our Badia Fiesolana, this jewel of the Renaissance that now houses the European University Institute, so many illustrious personages from all over Europe. I wish to thank all of you most sincerely for having accepted our invitation to join us in our modest anniversary celebration, where Federal Education Minister Dorothee Wilms will be speaking on behalf of the Member States, and Mr Jacques Delors for the European Communities.

Our European University Institute is a newcomer among Europe's universities; it was only last week that the Rectors of a score of the oldest ones in both East and West met in Florence. Our 10 years of existence as a university institution may at first sight seem rather paltry by comparison with so many centuries of university tradition in Europe; but there is a second, quite different, aspect. Our new university institution, founded here in Florence in 1976 with the unassuming title of the European University Institute, may, by virtue of its independent and multinational structure, properly be seen as the renewal and the institutional rebirth of the original concept of the

European university, constituted as an 'universitas' made up of a multitude of 'nationes'. In our postgraduate, and even post-doctoral, university we devote ourselves to European research; our Institute, like the ancient universities, consists of an academic community of students, research fellows and professors, a composition that is not only interdisciplinary but multinational, at all levels.

What we ask of our researchers, who come from all European nations, is easier said than done: to live and work together in an academic community which is neither Italian, French, British, German or whatever, but European in the proper sense of the term; a community obliged, or if you wish condemned, itself to define the European standard for its teaching through research and its requirements for a research doctorate, its procedures and criteria for recruitment and appointment, which are acceptable to all as part of a European tradition which transcends all national variations. The unique nature of the Institute is reflected at all levels, both academic and administrative, as the basis of our specific strengths and at the same time of our specific problems.

When I think of the initial reaction from European universities — I was personally involved as an executive member of the German Conference of Vice-Chancellors and Principals — to the idea of a European University put forward by Walter Hallstein and Etienne Hirsch, a reaction which was expressed in the slogan 'we are all European universities', then I have to say in the light of the experience I have now gained that it was a profound misunderstanding not to realize the quite different composition and constitution of such a university, as well as its complementary and compensatory position as a research university for European postgraduates in precisely the postgraduate sector where Europe continues to lag behind other parts of the world, particularly North America. It is through postgraduate and even postdoctoral study and through university research into the major European issues in the past, present and future that our interdi-





disciplinary, multinational institution can develop its specific strengths and play its role as an originator within the academic community of the European universities, and beyond. It gave us great satisfaction last week to note during the European Universities' discussions in Florence how on these two points in particular, postgraduate study and university research, both of which are still underdeveloped in Europe today, there is an increasing perception of our specific contribution to today's nascent — or if you prefer renascent — university cooperation in Europe.

But an institution's anniversary, like a person's birthday, is not an occasion for self-praise. Though our feelings may at the moment be wavering between modesty and pride, such praise could never, according to the *genius loci*, the Florentine spirit, go beyond the highest praise to be heard here among these Scots of Italy: 'non c'è male'. It is, then, more of a time for thanks to those to whom we owe our existence, our growth, our prosperity and our good fortune. Unfortunately, I must confine myself to mentioning only a few names by way of example.

It is to the credit of Max Kohnstamm, our first Principal, and his colleagues at the beginning, that they succeeded despite all the hesitations and uncertainties in turning the original idea of our founding fathers, the Member States of the European Communities, into a constitutional reality through their outstanding efforts, in spite of the enormous difficulties of starting from scratch. In so doing they laid the solid foundations on which the Institute has been able to build its work. I would further specifically mention Ambassador Hansen, the first President of the High Council, and Dr Böning, the current President and a member of the High Council since the outset. I would mention Professor Peter Schneider, a member from the beginning, and Professor Mauro Cappelletti, a member of the academic staff from the beginning right up to the present day. I would mention Mr Buzzonetti, the Secretary, and Mr Brundo, Head of the

Operational Service, who have both been at the Institute since its foundation.

We are reaping the rewards of that initial work today, in the last years of my term of office, in the considerable increase in our capacities and activities, in the number of doctorates and of research publications. Besides the Member States which are signatories to our Convention, the European Communities themselves — Parliament, Commission and Council — have contributed directly to the strengthening of our research activities by creating the Jean Monnet research fellowships, the European Policy Unit, etc. In this connection I would make particular mention of Mr Emile Noël, Secretary-General of the Commission, yesterday elected as our next Principal, and his right-hand man Mr Jean-Claude Eeckhout. But this is also an opportunity to thank Italy publicly for its outstanding support for the development of our university institution. At local level, I would mention my friends Mr Aldo Frangioni, Mayor of Fiesole, and Mr Massimo Bogianckino, Mayor of Florence. At regional level I would mention Mr Controne, Director of Public Works, Mr Sortino, Chairman of the Public Works Commission, and above all the Prefect, Mr Giovanni Mannoni, and his predecessor, Mr Rolando Ricci, both of whom are here today. Finally, in the Italian government, Mr Giulio Andreotti and Mr Giovanni Spadolini, who, in fulfilling their responsibilities relating to our Institute, have given it enormous support and enabled us to become what we are today.

In the light of all this experience I am convinced that the European University Institute could not be better located than in Italy, the land of the Renaissance of Europe on the eve of the modern era, and a country in the vanguard of Europe today. I would therefore, in order to do honour to the *genius loci*, conclude my introduction with the words addressed to me by the President of the Italian Republic, Mr Francesco Cossiga:

'The ceremonies marking the beginning of the tenth academic year provide a welcome opportunity to



express to the teaching staff, the researchers, the students and other staff of the European University Institute my most sincere appreciation and warm best wishes. I have always been firmly convinced that there is no better way to promote the affirmation of the European ideal than to encourage cultural integration and mutual understanding among the various countries of the Continent, so that the old barriers may be overcome, leading to the final removal of the obstacles still hindering the creation of an area of joint cultural inspiration capable of making an effective contribution to the progress of humanity. I believe that the Institute has gone a long way towards achieving this goal since its foundation, and we all hope that it may continue in the future to make a meaningful and valuable contribution. With warmest best wishes,  
Francesco Cossiga'.

**Address by Dr Dorothee Wilms,  
Minister for Education of the Federal  
Republic of Germany, on the occasion  
of the celebrations to mark  
the 10th anniversary of the European  
University Institute, Florence,  
21 November 1986**

*Professor Maihofer,  
Mr Delors,  
Your Excellencies,  
Ladies and gentlemen,*

In my capacity as Education Minister of the country at present occupying the Presidency of the High Council of the European University Institute, it was with pleasure that I took on the task of conveying our warm congratulations to the Institute. These go above all to those working here at this moment — the Principal, the teaching staff, the researchers and all the other staff. They also go to those who in earlier years contributed through their work to the Institute's development and made it what it is today.

It is 10 years since the Institute began its academic work. That is by no means a long time for an academic institution, especially one located in the country which over eight centuries ago saw the birth of European universities and within the immediate neighbourhood of the University of Florence, already more than 650 years old. But 10 years are certainly enough to establish whether we are on the right track.



The path of the European University Institute has not been smooth. Its foundation was above all a political gesture, and something of a risk. The Institute was to symbolize the fact that the moves towards European cooperation and European unification also included the world of learning; it was to enrich intellectual life in Europe and bring experienced and younger researchers together on joint academic projects.

This abstract formulation of objectives had to be fleshed out in actual research and teaching programmes. The European Communities' scientific institutes are attractive because of the material possibilities for research which they alone offer; they have no competition.

By contrast, for years all that our Institute in Florence had as a lure was the city of Florence itself. That had, and still has, great drawing power, and the most cordial thanks of all of us go to the city for having opened itself to the Institute, and not with its architectural charms alone, and for having given the Institute so much help.

The foundation was an experiment in linguistic terms too. Cooperation in the humanities depends essentially on linguistic, and therefore also conceptual, communication. How would the academics be able to talk to each other, how could students be advised by professors from another country, in another language, perhaps one foreign to both teacher and student? The very structure of the Institute itself was perhaps less than ideal at the start.

We had, after all, no experience to go on. Being able to invite professors for three years only was definitely a problem for the young Institute, where as yet there was no reputation to be gained. The integration of initially six, today nine or rather ten, national university systems was a source of considerable difficulties, and continues to be so today. One example is the long, though ultimately very successful, struggle for recognition of the Institute's doctorate.

All in all, the problems were probably greater than the founding fathers had imagined, and greatly weighed

down the Institute in the early years. It is to those who won through that first pioneering phase, therefore, that our particular thanks go here today, above all to the Institute's first Principal, Max Kohnstamm. We are very glad that you are able to celebrate with us here today. I must also mention the Secretary, Marcello Buzzonetti, who has headed the Institute's administration from its first days, and I would thank, too, all the former professors, other staff and students.

I thank you too, Professor Maihofer, on behalf of all the scholars working at the Institute today, for having given the Institute a sound and growing academic reputation through your work over these last years. This has undoubtedly also been helped by the fact that more research subjects than before are now being developed at the Institute as a result of cooperation among professors, and not, as was inevitable in the initial years, brought in as a kind of personal dowry by the individual scholars. It has also been helped by the fact that through the European Policy Unit the Institute has been able to increase its academic scope, extending it to the study of issues affecting European development. I am also delighted, and I say this on behalf of all the Member States on the High Council, that the election of the new Principal took place yesterday. I congratulate you, Emile Noël, personally, and wish to take this opportunity of wishing you the very best for the work you will be doing over these next years.

Thanks are due most particularly to the Italian State, Government and Parliament for so successfully carrying out their task of protecting and fostering the Institute. They made the investments required with great generosity and at considerable cost. In the Villa Il Poggiolo they have provided a home for the enormously important Historical Archives of the European Communities, and now with the Villa Schifanoia they have created the space for an essential expansion in working facilities. My esteemed Italian colleague, Mrs Falucci, has in this way shown a high degree of European awareness and made an outstanding contri-



bution towards making the ideas of Alcide de Gasperi, Robert Schuman, Jean Monnet, Winston Churchill, Konrad Adenauer and Paul-Henri Spaak a reality here in this Institute.

Finally, a special word of thanks to the European Communities for their encouragement of the Institute's research work and for providing the Jean Monnet Fellowships. It is certainly a particular honour today, and a great pleasure, that you, Mr Delors, are able to be here to represent the European Communities.

It is heartening that we are able on this anniversary to welcome Greece as a new member of the Institute's community, and that we know that soon Spain and Portugal too will be acceding to the Institute's Convention.

Let us associate our satisfaction at what has been achieved in these 10 years, in recollection of the goals and visions of the great Europeans that brought our countries together after the Second World War, thereby laying the foundation for a Europe developing in peace and freedom, with a brief look into the Institute's future and at our cooperation in the sphere of higher education.

As far as the Institute is concerned, I feel that in the near future we, the European Education Ministers, ought to get down to discussing development over the next decade. There are unsolved problems, or at any rate problems which have not been solved completely satisfactorily. For instance, can the Institute, in its present legal form, get and keep outstanding scholars in the long term? Is it the right size? I am not sure whether with the present number of professors, 30 in the four departments, and about 200 students, the Institute can attain the degree of European academic cooperation and influence that we are entitled to expect from it. The Institute has in my view not yet reached the critical size at which the best possible use can be made of its unique resources.

I have accordingly asked the German representative on the High Council to have the Principal of the Institute draw up a report on its problems and its development for joint discussion by the Education Ministers. Even though the Institute is not an institution of the European Community, we can nevertheless align the various decisions taken about the Institute at national level, including budget decisions, and harmonize political decisions of principle. For, regardless of its legal structure, politically the Institute is entrusted to the guardianship of all of us. Politically, we are jointly responsible for seeing that it evolves in the way that that first generation of Europeans intended.

Ladies and gentlemen: many of you will recall that the Institute is a modest reflection of the originally much further-reaching idea, embodied in Article 9 of the Euratom Treaty, of setting up a university-like institution. That idea failed, partly because of the resistance of the European universities. A serious question lay behind that resistance. Would a single European University, explicitly so named, not create the impression that all the other ones were doing their job only within narrow political and intellectual frontiers? Those who wanted a European University were not, of course, claiming exclusive rights over the European idea. This idea would have been ill-served if our endeavours at real cooperation, going beyond exchange of students and partnership between universities, were all concentrated on one single common institution, to the exclusion of all our national universities.

Happily, in the last 10 years relations among European universities have on the whole also developed very positively. Numerous initiatives and programmes are underway in the Member States of the European Community to encourage cooperation, which are being picked up by international organizations, and energetically and effectively promoted by the European Communities. We cannot, however, afford to rest on our laurels, especially since in my view there





are a number of problem areas, which I should like to sketch out briefly.

1. For study abroad, students and their parents usually expect a grant. But if every country were to put the same financial resources into study abroad as for study at home, then even today more students would be able to study in other European countries.

2. Study abroad and student exchanges are heavily concentrated in the linguistic disciplines. But we also need social scientists, physicists, chemists and engineers who have studied abroad. Europe will, and must, grow closer together in all fields of professional activity.

3. University contacts are particularly well-developed between some countries, but still very sparse between others. This imbalance is only partly to be explained by sizes of populations and student numbers.

4. Fees are a considerable barrier to the exchange of students. Is our interest in offering young people experience in other European countries not sufficient for us to do away entirely with fees for exchanges between the European university systems?

5. Many plans for stays abroad founder on complicated or over-restrictive equivalence regulations. Our equivalence provisions are still not in line with our joint declarations in the European Community, for instance the conclusions we issued in June 1983. They are determined not by the principle of reliance on the quality of other higher education systems, but often rather by skepticism.

Besides these problems, which have been with us for a long time, some new ones have arisen:

1. The current efforts to intensify European cooperation on research are concentrating increasingly on science and technology. We are all aware of their importance, and of the fact that European cooperation in these fields is essential; that it is only together

that we can innovate and therefore compete. But the humanities should not be allowed to lag behind. They represent and are part of our common European culture; and the humanities above all would benefit from the stimulation provided by closer cooperation in Europe.

2. The marked technological, and therefore also industrial, bias of European cooperation programmes means that research cooperation among universities is in danger of being pushed into the background. Anyone wishing to give young people experience of living together with people from other countries and thus lay the foundations of understanding among the next generation in Europe, has to take particular account of all universities, with their total of over 6 million students in Western Europe.

3. Europe's most highly-qualified young academics, if they go abroad at all, go mainly to universities and research centres in the United States. There, young Frenchmen, Britons, Italians, Danes, Greeks, Germans, etc. meet and work together.

I should like now to put forward some ideas for improving cooperation among universities, which we might think over and expand upon at national and European level and in government and academic institutions, with a view to turning them into reality:

1. University partnerships, which are frequently rather thin on content, ought to become a centrepiece of our European university policy, and bilateral partnerships should develop into multilateral ones. University partnerships are the most practical instruments for contacts, for exchanges and for academic cooperation. They should always apply to all levels of cooperation: exchanges of students and university teachers, the development of joint study sessions and courses, and, more than in the past, to joint research projects.

2. Everywhere, we should press for an increase in student exchanges, not only in science and in the



technical disciplines, but also in the humanities as part of cooperation on research.

3. We should promote programmes aimed specifically at encouraging more intensive cooperation among those universities that have so far rather stood on the sidelines in this respect. In this connection, we should seek to abolish all fees for European students.

4. In the equivalence debate, we should put aside our national anxieties, and place our trust in the fact that the European university systems are in general equivalent, and that differences among countries are as a rule scarcely greater than those among universities and among graduates within the same country.

5. We should intensify exchanges among young scholars in Europe and the opportunities for academic cooperation among them, not in competition with exchanges with the United States but in addition to them. We must create conditions that will enable the younger generation to see itself, more than before, as part of the European world of learning. It is particularly true in the field of research that Europe together can achieve more than the sum of its parts.

6. We should provide funds so that older academics can take younger ones along to their meetings.

7. We should call on the European Science Foundation and other European academic associations to submit proposals to us for joint European research projects and for new forms of cooperation.

Many of these measures could be taken through the universities or through competent governmental agencies. A federal Europe can survive only if its individual parts themselves contribute as much as possible to cooperation, and do not leave everything to be directed from the centre. It is my intention, for instance, to provide research institutes at German universities with additional funds from 1988 onwards for invitations to the new generation of European academics. If we all open up our national grant systems in this way, then academic cooperation can

be considerably strengthened, even without new bureaucratic machinery.

Other measures, such as the liberalization of the rules on equivalence, require agreement at European level. This is clearly also a challenge to the European Community, which should intervene where national instruments, alone or taken together, are not enough; I am thinking, for instance, of my proposal to hold specialized congresses for young European academics. It must also, however, pay particular attention to strengthening cooperation with the Community's new Member States. But in the sphere of academic cooperation especially, we should not leave countries such as Austria, Switzerland, Norway and Sweden out in the cold; we should not stop at the frontiers of the European Community. Nor do the opportunities that the Community offers dispense us from the obligation to step up our national efforts on behalf of European cooperation. Europe has to be achieved not only in Brussels, but in every capital, indeed in every university town, in Europe.

Given the scale of the tasks facing us in the future, the European University Institute's role is inevitably small, in quantitative terms. It was not set up to take in large numbers of students nor indeed to ease the burden on the national universities. Its task is to exploit the unique opportunities for study and research offered here. There is no other European humanities research centre of this kind, where scholars from many countries work together; nowhere else can intellectual topics be treated from the academic perspective of differing historical backgrounds. No other research institute is as well placed as this one to develop a network of joint research projects in Europe, extending far beyond the Institute itself. Nowhere else — with the possible exception of the College of Europe in Bruges — can young academics and more experienced ones from the Member States of the European Community work together the way they can here.

The European University Institute can, and should, not only make an academic contribution to European



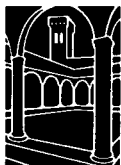
history, politics, economics and culture, but also provide an academic perspective on current issues of European politics; it should also be the source for a common academic understanding in Europe among the generation that will be assuming responsibility tomorrow. That understanding will be cultivated not only by reading and discussion, but to a far greater extent by working together. My wish for the Institute is that the scope of its task, its ideas and its opportunities will secure for it a decisive and stimulating role in European convergence.

Thank you.

**Introduction by the Principal  
of the European University Institute,  
Professor Werner Maihofer**

*Ladies and gentlemen,*

The Institute has the honour and the pleasure to welcome today Mr Jacques Delors, President of the Commission of the European Communities, to deliver the ninth annual Jean Monnet lecture. I believe, Mr President, that there is no one better qualified than yourself to deliver this lecture in this, the year of the Institute's 10th anniversary, and I would thank you most cordially for having accepted the invitation. The Institute that is welcoming you today has, as an international academic organization, three facets to its character, and you yourself have had a threefold career, as a civil servant, as an academic and as an international politician. Having been Minister for Economics and Finance in the French Government, you took on the heavy burden of the Presidency of the Commission of the European Communities. As the theme and title of your lecture you have chosen 'The Single Act and Europe, a moment of truth'. This is an outstanding and highly topical subject, at a time when several parliaments of Community Member States are discussing a ratification bill. We have reached a milestone in the history of Europe, which is still today advancing step by step on the road to unification. As you can see, Mr President, in addition to the repercussions it is bound to have outside the Institute, your lecture will spur all of us here on to greater efforts in performing our own tasks. Accordingly, on behalf of the whole of our academic community, I thank you, I welcome you, and I give you the floor.



**Ninth Jean Monnet Lecture,  
delivered by President Jacques Delors:  
'The Single Act and Europe,  
a moment of truth'**

*Professor Maihofer,  
Ministers,  
Your Excellencies,  
Ladies and gentlemen,*

We are today celebrating the 10th anniversary of the European University Institute. Dr Wilms, the German Federal Minister for Education, and Mr Maihofer, the Principal of this Institute, have expressed better than I could the hope we place in it. I need hardly recall that the Institute has its origins in one of the Treaties setting up the Community, the Euratom Treaty: proof of the importance attached by the founding fathers to university education and training and to the role they hoped to see them play in the construction of Europe.

I have chosen today to talk to you about what we can do for Europe now, rather than the prospects for Europe 30 years hence. But I would like to say that in this area without frontiers which is at the centre of the Commission's present strategy, cooperation among universities and research centres and the expansion of exchanges and cultural dialogue are an essential and vital element, even though educational issues are formally outside the province of the Treaties. The Florence Institute, as an institute and not a university, ought, I feel, to single out the major themes for study and research concerning the development of European union. I personally hope that it will increas-

ingly become the centre of excellence you have spoken of, Professor Maihofer, for some major subjects of university research, and that it will come to be a central reference point for the thinking of men of action, by providing them with an essential degree of objectivity. As only one example among many I might choose, I should like to mention what has been done as regards the European Community Archives.

Ladies and gentlemen,

All too often the debate on European integration vacillates between political incantation and a pragmatism which lacks perspective. But there is, after all, nothing surprising in that. The Community has, in historical terms, grown extremely quickly, going from six to 12 Member States in a mere 13 years; and several different concepts of Europe have sought and are seeking to coexist within it. At one end of the range of concepts are those States that favour institutional or indeed political projects designed to ensure the qualitative leap dear to the heart of all staunch Europeans including, I am bound to confess, myself. At the other are those who, whether out of realism or for ideological reasons, hold firm to a purely utilitarian vision of Europe, to what is customarily called 'economic integration', albeit — and I say this for objectivity's sake — with a certain political extension. Our task, modest though it may be, must be to overcome and go beyond this underlying contradiction by advocating perseverance and tenacious action combined with political ambition. This is the challenge facing us in times ahead, the opportunity offered by the forthcoming entry into force of the Single Act. I more than anyone am aware of the failings of the reform of the Treaties of Rome. I share the disappointment that it brought after the hopes that had been raised, especially by Parliament's project for political union, advanced with such determination by Altiero Spinelli. But today we must do everything to ensure that the potential of the Single Act is realized and that we respond to the needs and challenges of the





modern era, without overlooking the all too often neglected aspirations of the citizens of Europe.

This was the starting point for the search for the revitalization required to mobilize these aspirations, meet these needs and satisfy these new desires. I intend to show how the decisions taken fit in with the process of European revitalization.

The expectations, not all of which fall within Europe's powers, revolve around the triad of economy, technology and defence. The economy, obviously, so that we may rediscover the road to prosperity and employment; but as part of a broad plan for society which unites Europeans in their pluralism, and enables them to preserve their identity; here again we find the cultural and the educational aspects.

The second theme is technology, so that Europe, in the bitter struggle now being waged, may regain its rightful place and keep control over its destiny, which today, as you will agree, is by no means secure.

Finally, defence. We need only recall the recent events at Reykjavik to see that, unless Europe can stir herself, our security may well come under threat in the future.

These are the three essential keys to European revitalization. I could of course have picked out any one of them, but the fact is that the Single Act relates mainly to economics and to technology. If Europe could demonstrate that the combination of its policies and its economic forces is a key factor in reviving the economy and restoring full employment, would it not gain universal approval? We should remember that this is precisely what the Commission has proposed to the Council of Ministers, in both its short-term and long-term, structural, aspects. For the short term, without entering into economic details which would be out of place here, we have the cooperative strategy for employment-related growth, recently supported, and I would stress this, by a joint declaration at European level made by the employers and the unions. You will of course be familiar with the aim of

this strategy: the point is not to ignore the need for stringent measures, but for each Member State to make use of its room for manoeuvre, with regard to interest rates and fiscal policy in particular, so that we can reduce unemployment by 30% within five years. This is no idle dream, but something which has been demonstrated: our plan is to underpin this strategy with measures relating to employment policy, with particular reference to long-term unemployment. This is the thrust of the proposals which I made to the European Council in The Hague and which — I hope — will be adopted in the form of practical guidelines by the next European Council, to be held in London at the beginning of December. Because, while unemployment, as you know, is showing signs of levelling out in Europe, the number of long-term unemployed continues to grow and is a major source of what has become known as 'new poverty'.

If Europe cannot do all it would like in this area, let it at least provide an example of relevant, effective action.

Let us now come to the long term. The proof that no longer has to be given is that of the achievement of a large European economic and financial area, offering a market larger than that open to our American and Asian competitors. The very prospect of this large market without frontiers is already having a stimulating effect and encouraging exchanges and cooperation between firms. We must not let them down. You will recall how, in the early days, all the Community countries benefited from the elimination of customs duties between them, and increased their trade fivefold. Since the 1970s, however, trade has levelled off in relation to national wealth. The removal of the physical, technical and tax barriers which divide up markets and make Europe a collection of feudal economic systems will provide a powerful boost to our competitiveness and our development.

Concomitantly, the free movement of capital will play a major role in the convergence and integration of our economies, through a better allocation of resources and an expansion in risk capital. There is, though



some Member States are not convinced of this, a dialectic relationship between monetary cooperation and economic cooperation. I would simply say that in this area of liberalization of capital movements, which is part of the process of completing the large market, a significant step was taken last Monday, as the Italian press in particular has not failed to note. In five months we have adopted measures of major importance for the development of our financial markets. When we recall that some countries made liberalization a precondition for strengthening the European Monetary System and promoting the ECU, we can see that the progress made this week opens up new horizons. I would emphasize again that this was achieved in record time: five months between the tabling of the directive and its adoption. Rather a slap in the face, as you will agree, for those who accuse the Community of bureaucracy. All the same, the liberalization of capital movements does not yet mean that we have a European currency. That will not become reality tomorrow or the day after; but it is part of the European dream, and, if I am to go by the number of articles in the press, it is the most popular European topic. The currency area, a precondition for a European currency, and the financial area, are within our grasp, but will achieve their full impact only if the Member States increase their monetary cooperation. That is our target for next year. If cooperation in this sphere is improved, the ECU will also gain in strength and will become a reserve currency. Europe will finally be responding to the demands from all quarters for it to play its part in international affairs and take its share of responsibility. Here I find echoed the ideas I, and others, have been supporting, for a long time now, advocating a world monetary system that will be stabler and more efficient for being based on several reserve currencies including the ECU. When the wheels of success are turning they must not be stopped for a single moment.

But the ultimate purpose of this area without frontiers we are trying to create is to bring Europeans together by allowing them freedom of movement and giving

them the opportunity to work and be creative together, not only in the economic sphere. Our efforts on that front would not be worthwhile without the enrichment which will spring from the exchange of cultures and the feeling of belonging to a larger whole, without loss of national identity. We are already seeking to promote this, even though education and culture are not formally included in the Treaties of Rome.

We are seeking to promote it, not, I would emphasize, in order to encroach on other priorities, but in the interests of a people's Europe, as reaffirmed by the Heads of State or Government. Unless we wish to disregard what our Heads of State or Government say, what we have to do is apply these programmes without spending hours and hours discussing in petty-fogging fashion institutional questions or amounts that are trivial by comparison with the goal being aimed at. This is the task we have been assigned by our Heads of State or Government: to enable tens of thousands of young people to study or train for a time in a university or a firm in another Member State. These initiatives will complement the schemes already implemented on a bilateral basis by several Member States and by various regions and *Länder*. That is what we want to create: a people's Europe.

The Commission is not engaging in some institutional dogfight. We are not, legally or in virtue of our powers, competitors, and we take what our Heads of State or Government say seriously.

But I would remind you of Article 128 of the Treaty of Rome, which provides for general principles to be laid down for implementing a common vocational training policy, which should be of interest both to universities and to business. This European vocational training policy, provided for in the Treaty, would be inspired by the schemes that have already been successfully launched in a number of countries; it would help combat unemployment and contribute to the overhaul our education systems need, so that everyone can learn the value of learning throughout life and possess



both the knowledge and the competence, to cope with private and professional problems and to adapt to a rapidly changing world. To this end I am proposing that each European should have the right to continuing education in a form adapted to the legislative traditions and customs of each country; but let us not leave Article 128 too long in abeyance.

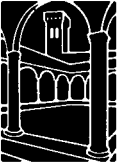
In the same spirit, I would also like to propose that, starting in primary school, another European language be taught throughout the Community. This is already done successfully in some Member States. The prospect of an area without frontiers, with more and more television channels and information networks, means that we must exploit our linguistic potential in order to promote communication, exchanges and common projects and foster our cultural development. And to do this we need to be able to understand each other and talk to each other.

Finally, taking advantage of the fact that the Education Ministers have been so kind as to attend this 10th anniversary ceremony, I wish to make a third proposal. I would like to plead the case for an approach to teaching European history which, without glossing over the mistakes and playing down the tragedies of the past, brings to light the factors which created the sense of continuity which binds Europeans together today. You may know that we have supported the production of a European history textbook, under the guidance of Professor Duroselle and a committee of top-level European historians. I would like to take this opportunity to announce officially that the book will be available for the beginning of the 1987 school year. I hope that the Ministers for Education will welcome this European book as a further means, to be used alongside the traditional history books, of putting the past into perspective — an essential exercise, to my mind.

Our goal, then, ladies and gentlemen, is to work together to meet these challenges, within a large area embracing different, but neighbouring, cultures which

form part of a single family sharing the same consciousness and the same vision of society, and to base our development on the exchange of ideas and cultures. In a number of areas a start has already been made on responding to and working out this vision. And that fact should allow me now to say a few words, though only a few, on technology and then on defence.

In the field of technology, our task is particularly challenging and immediate. It is becoming clear that, although European firms are holding their own in low-growth industries, they play a secondary role in the advanced-technology industries, with the possible exception of telecommunications. In this last connection my thoughts inevitably turn to the major issue at stake at the moment, which unfortunately is being held back by over-tender susceptibilities and self-assertive bureaucracies. I have referred to technology as one of the major preoccupations of our citizens for two reasons. First, because the opinion polls tell us that Europeans place mastery of these new technologies at the top of their list of priorities for Europe, given that the competitiveness of two-thirds of the economy, and over half of our workforce, depend upon them. Second, because I want to tell you about the success of the initiatives we have launched with firms, universities and research centres. This is one of the great merits of Esprit, to mention a Community programme; but it is also to the credit of Government centres that they have brought home to European firms the fact that it is both necessary and beneficial for them to work together on joint projects, as they are doing more and more. Here again expectations have been raised which Europe must not disappoint. This is an essential factor in restoring growth and full employment. As I have put the emphasis in this lecture on pragmatism and practicality, I would like, as President of the Commission, to say that I expect the Council to approve the reasonable, but vital, programme that we have proposed for the coming five years. In proposing this programme we have not been raising the ante, we are not playing poker with



Europe; we expect the ministers to respond in the same spirit. This will be the first test of the willingness to apply the Single Act, and the Commission for its part will monitor events closely.

In conclusion, I wish briefly to mention defence; I was tempted initially to speak on that topic alone. In this troubled and disquieting era of non-war marred by terrorism, I feel that defence must occupy our thoughts. I know that here I am clearly going beyond the competence of my institution; the subject is still more or less taboo, and was, as you know, brought up unsuccessfully within the Western European Union. Nevertheless the European defence issue has become current again, if we think of the upheaval that implementation of the American SDI programme would mean, or if for a moment we ponder what might have been, or might be yet, the conclusions of the talks between President Reagan and Mr Gorbachev. Faced with these events, even if we have no competence in strategic matters, Europeans inevitably wonder about Europe's role in this debate between the superpowers, a debate which concerns us and raises a question mark against the future of our children and our grandchildren. I would put it to you that the question is startlingly simple and that you have no choice but to answer it: do we Europeans have the will to defend our independence and our freedom against all comers? Are we cultivating among us the civic spirit, the spirit of defence, without which nothing is possible? Are we willing, whatever the sacrifices and whatever the choices, to equip ourselves with the means to lend our will the necessary credibility and force? Never, ladies and gentlemen, have our consciences and our political will been so urgently confronted with this question, so rarely considered. I would ask everyone to ponder this topic. If we have a sense of solidarity we cannot ignore this question, and we must think of it also in the context of technological cooperation.

These are the keys to what has been called the revitalization of Europe; these are the dreadful tasks

awaiting us, for the question of defence, make no mistake about it, is dreadful.

I would like to come back now, in connection with what has been decided, to Europe's potential, to the major objectives that fall immediately within our sphere of competence. These are officially enshrined in the Single Act, which includes a number of provisions aimed at improving the decision-making process and making it more democratic by involving the European Parliament to a greater extent. This reform of the Treaty of Rome, the first of such importance, is set to become the economic and social cornerstone of European revival after years of stagnation. All these objectives are inextricably linked: the large market, technological cooperation, strengthening the European monetary system, economic and social cohesion and the social aspects of collective action.

The process for which they provide will be assisted by some accelerating factors, but will also no doubt meet a number of obstacles, which can only be overcome by means of vigilance and determination on the part of the European institutions, the Commission, Parliament and public opinion.

Let us be optimistic and start with these accelerating factors.

First among them is the very powerful internal momentum set up by the process of creating an area without frontiers. The creation of the large market is to some extent an application of the domino theory in that the removal of one barrier leads to the removal of another and so on. I would mention above all the commitment to that goal by business managers; Max Kohnstamm, who is here, could tell you that when the Treaty of Rome was being discussed, business managers were hardly among its greatest supporters. Today they have become so, and why? Because they are anxious to see the establishment of this large market, which tomorrow will form the natural context for their activities, increasing their potential resources and opening new outlets for them.





The trade union movement also supports this aim. In 1985 the European Trade Union Confederation made it one of its prime objectives, alongside, naturally enough, the creation of a European social area, within which the trade unions expect to see the spread of better systems for protecting workers and improving working conditions. Bosses and unions are today stauncher supporters of European revitalization than politicians: strange but true. This is why the social dialogue which I set in motion on taking office, and which is already bearing fruit, is of such importance, and is actually referred to in the Single Act. We dare not let our producers, whether they be employers or wage-earners, down. We will lose all credibility if decisive steps are not taken towards completing the large market. Should this happen it would mean, in the context of an increasingly interdependent world economy, that firms would no longer regard the European dimension as part of their strategy. European integration would lose its driving force and one of its objectives, namely economic and social progress.

This leads me to what, as you know, I personally see as another test of our credibility: by the end of 1987 (in less than a year, in other words), we must have made progress in five key areas — the liberalization of capital movements, the opening up of public procurement, the adoption of common standards, the strengthening of technological cooperation and the social dialogue. The Member States have to realize that time is pressing on: Europe is again advancing, but history, alas, is moving faster! Europe must be aware of this. For this revitalization I have been talking about to become a reality, we must have institutions that work better and are less bureaucratic.

Let us be clear about this bureaucracy they keep harping on about! Bureaucracy starts when the 12 Member States take a decision and the 12 officials responsible for implementing it produce more and more obstacles. But that is the daily bread of the Community at present. Bureaucracy prevails when the

Council has projects on the table for 10 years, or indeed for five, that it refuses to discuss. It is obstructive tactics of this kind, then, which had to be attacked. The need for better decision-making and more effective action was central to the Commission's proposals to the Intergovernmental Conference which were, unfortunately, only partially adopted. Nevertheless, the Single Act has an important contribution to make in this area, since two-thirds of the decisions concerning its centrepiece, the large market without frontiers, can, once unanimous agreement has been reached on the broad outlines, be taken by a qualified majority in the Council, as can decisions on the sectoral technology programmes, social issues and structural policies.

The impetus is in any case already there; even before the Single Act has come into effect, there is already more majority voting in the Council. That is why the Single Act reflects Europe's potential. The Single Act is our moment of truth, a moment of truth for Europe, both for the functioning of its institutions and for the direction we wish to give to Europe as a whole. There is no point in dreaming about anything else until, through our daily efforts, we can prove that we are taking this first step.

We have all the trump cards we need if we are to realize Europe's potential and achieve our highest political objectives. But the game is not yet over. It has not yet been won. Let me finish by emphasizing how crucial 1987 will be for Europe. Our concern will be to initiate the process leading to the achievement of the objectives of the Single Act. But if the process is to be got off to a good start and our aims are to be achieved, a number of well-defined conditions must first be met: political will from the Member States, an increased role for the European Parliament and implementing powers for the Commission. First comes the political will of the Member States. Easy enough to say, you may think; that is true, but I would repeat that the Single Act allows us to decide by majority instead of unanimity in a number of cases. But, of course, the



Member States cannot be forced into this, and it is a question of both political will and procedural technique. In this context I feel that we must, alas, go into details, and that it will unfortunately also be necessary to think about the Council's internal rules of procedure. This may appear to be of secondary importance, but if the Council's rules made the use of the voting procedure automatic, that might be a way out of the bureaucracy I talked about earlier, and out of the graveyard of unimplemented resolutions which is the final resting place of so many communiqués from European summits and Commission proposals. We shall be able to judge the political will of Member States on the basis of this reform of the Council's rules of procedure.

Second comes an increased role for European representatives, specifically the European Parliament, in the legislative process. As you know, the election of the European Parliament by universal suffrage raised great hopes. In reality, however, Parliament has failed to make its mark in the preparation of legislative instruments. On the other hand, it does play its role in public debating, and often excels at it; it acts as our conscience, and provides a vital forum. But it has still to play its full part in the preparation of legislative instruments, in the process of building a Community based on the rule of law. For this reason the Single Act provides for a so-called cooperation procedure that will enable Parliament, in the course of two readings, to have a say in the most important areas involved in the creation of such a Community. I must admit that we are expecting a great deal from this relaunching of cooperation with the European Parliament. And I can assure you that the Commission will spare no efforts to enable Parliament to seize this opportunity to carve out a role for itself as an essential and effective partner in securing European integration.

Without the necessary political will, without an increased role for the European Parliament, but also without implementing powers for the Commission, nothing will be possible, in spite of Europe's potential.

Our aim, then, is improved decision-making but also effective action. The Commission has the necessary implementing powers, or rather should have them. As someone who felt he knew the Community, I was surprised to observe that even after the Council had taken the requisite decision, the Commission still had to go through something of an assault course to ensure that the decision taken was actually implemented. This is what is at stake in the present confrontation, which at the moment is amicable but firm but might become a head-on clash between the Council and the Commission. The Commission cannot yield on the powers it must be given to do its duty, that is, to implement decisions in accordance with the spirit and the letter of the Single Act.

I have given you an outline, ladies and gentlemen, of what must be done and how. As I have told you, I see four types of problems after these themes of hope. One is the tension between the north and the south of Europe, which is being talked about far too much at the moment. It is best to speak frankly: that tension does have some positive effects, and the arrival of Greece, Spain and Portugal has many. But it has to be said that it also has adverse effects. To take one example, if three or four countries want to cooperate in some area or other of research, for example biotechnology, there is no need for countries not taking part in the project to call immediately for financial compensation. That would soon bring everything to a standstill! On another level, the more competitive countries would be greatly mistaken if they thought they could have the large market without paying the price of cohesion. Is the price merely to be paid from the budget? No, what is needed is Community spirit, otherwise the Europe of Twelve will fall apart. We must therefore prevent incidents such as these through our resolute commitment to both economic and social cohesion in the Community.

A second possible obstacle is what I shall call, to use a very French expression, the temptation to use mathematical averages. That calls for some explanation.



What I mean is that Europe is a sort of flotilla: some go faster, others slower. Believe you me, if the point of convergence is taken at the middle of the convoy, then there will be no progress, no Europe, no agreement. For instance, one cannot expect the Germans and the Danes to accept standards of living conditions, working conditions and social security which fall short of those they enjoy today. That would be absurd. What is the sense of creating Europe if it can make no progress?

The third difficulty is applying what is known as differentiation. This unprepossessing term means that in some areas we shall have to accept progress in a group of four, five or six and let the others catch up later. The Community's dynamism must not be killed off at the embryo stage. We shall see whether the countries which, as is normal, pursue rigorous budgetary policies, will be able to give Europe, at the age of 30, the means to become adult. That is why, if we really want to move towards European union, to go on speaking of a Community and not merely a free trade area, it is important to reach agreement on the criteria for measures to be taken at Community level which are more than the sum of national measures.

There are five such criteria which I shall list briefly. Firstly, giving effect to the decisions taken and enforcing the rules of the game; that is what is meant by a Community based on the rules of law. Secondly, strengthening cooperation among the Member States and also adapting the common agricultural policy, which is cooperation at its best, to the needs of modern society, without departing from its fundamental principles. Thirdly — and we are at present suffering from the lack of this — speaking with one voice in the world and acting together on the international arena, in order not only to defend our legitimate interests but to respond to the demands being made of Europe from all quarters, from Africa, Latin America and Asia, and to further peace, freedom and justice. Are we in Europe to be the last to believe in Europe? Every one of you, when you go outside Europe, will

find that we are being asked to act, to speak, to intervene, and to help to restore order in the world.

The fourth critical objective is to support regional development by means of integrated programmes, grants to infrastructure projects, training measures such as I have already mentioned and technical assistance to the labour market. Finally, the fifth criterion for Community action is the encouragement of innovation, and the dissemination, as part of this action, of successful experiment.

The reason why I have mentioned these criteria is that they will form the basis for proposals the Commission will be making at the end of this year to ensure the success of Europe's 'grand rendez-vous'. The Community is in fact facing a choice between three possible scenarios for the large market, the key element in our strategies. A choice must be made between a large market in name only where different arrangements and requirements exist in the various countries and from which our economies as a whole would not benefit, or a free trade area which is not regulated, and is subject to divergent economic policies and, I might add, has no conscience, no soul, no political will, or else finally, a true economic area which is in touch with reality and genuinely united, so that it can unleash the energy required to make our economic policies converge and lead us towards European union. The third option is the only one that is in keeping with the spirit of the Single Act, the only one worthy of what is expected of us; it is our battle standard.

This, then, is the three-point formula for next year's 'grand rendez-vous': the Single Act, the harmonization of Community policies and instruments, and the political will of the European institutions — all of them. Speaking for the Commission (and I am happy to see my colleague Mr Ripa di Meana here today for this 10th anniversary) we are fully committed. We have staked our honour on realizing Europe's potential, and thus lending impetus to the political plans which reflect our deepest conviction. In doing this we are



paying a well-deserved tribute to those eminent champions of a united Europe who today are calling upon us to act with greater determination. Those who created this vision of Europe to which we aspire, ladies and gentlemen, are now urging us to remain true to them by taking action where action is possible.

Thank you.









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