



College of Europe  
Collège d'Europe



## **Speech by Federal Chancellor Angela Merkel at the opening ceremony of the 61<sup>st</sup> academic year of the College of Europe in Bruges on 2 November 2010**

Prime Minister, Yves Leterme,  
Governor Breyne,  
Mayor Moenaert,  
Mr Mendéz de Vigo,  
Rector Demaret,  
Excellencies,  
Ladies and gentlemen,  
and above all you, the students of the Albert Einstein class!

I would like to thank you very much for the long-standing invitation and for your kind words of welcome! With my original plan to come here having been postponed until today, I think the Belgian Council Presidency makes this an opportune time for me to be here.

It is a great honour to me to join you in opening the 61<sup>st</sup> academic year of the world-renowned College of Europe in Bruges. I am especially pleased to be opening a year named in honour of Albert Einstein. I say this not only because I am by training a physicist, but also because you have chosen a great scientist who – as the President has just remarked – radically altered our perspective on the world as well as our understanding of space and time, of mass and energy. Even if you study something quite different, it's worthwhile to spend some time delving into the late 19<sup>th</sup> and early 20<sup>th</sup> century period. This was when Marie Curie discovered radioactivity. Then came Albert Einstein with his theory of relativity, followed by quantum physics – the work of, for example, Niels Bohr – which utterly changed our entire deterministic way of thinking.

It's very interesting that a scientist as great as Albert Einstein struggled his entire life to understand another major realm, that of quantum mechanics, even though many quantities are very closely connected with one another. This reminds us how hard it is to cross over from a familiar worldview to a new view shaped by new scientific insights. This reveals boundaries – the boundaries of human reason and the

boundaries of a particular era, boundaries which great individuals overcome time and again. When one is then able to think, act and research within this new space, everything suddenly seems so simple; one can no longer even understand how it could possibly have been inaccessible to previous generations.

This is also how it is for us when we speak of Europe. We in the member states of the European Union are undergoing a process in which ever less is divided by borders. We can scarcely imagine any more how a Europe where nation states warred against one another for centuries could have existed. Students, let me say then that no other generation before you has been as able as you are to take advantage of the opportunities Europe offers – you here in Bruges, certainly.

Because we know how inestimably precious freedom and democracy are, we also see how the momentous changes of 1989–1990 have expanded our horizons. After 20 years, however, some things have come to be almost taken for granted in the freedom and democracy that a part of Europe once yearned for. Allow me to tell you that my generation – the first thirty-four years of my life were marked by lack of freedom, by despotism and dictatorship – changed massively in the years around 1989–1990. Suddenly we had the chance to live in freedom. This was not only the experience of those Germans living in eastern Germany – it was also a European experience. German reunification is inconceivable without European integration. Helmut Kohl, who as the Federal Chancellor at that time shaped the role of the Federal Republic in German unity, had been saying for decades that German unity and European integration were two sides of the same coin. He was now in the happy position of being personally able to help shape this unity, a dream he had spoken of for years.

We know that German unity in peace and freedom would have been inconceivable without the contribution of the freedom movement in Central and Eastern Europe. That's why the presence of a College of Europe not only here in Bruges but also outside Warsaw in Natolin is symbolically significant. We know that such a development in the Eastern Bloc would have been utterly impossible without the Solidarity Movement; just as it would have been impossible if the western, free parts of Europe had given up on the people of Central and Eastern Europe rather than holding on to the conviction that the Cold War would end someday.

We Germans know now that astonishingly great trust was placed in us during the era of German reunification. It wasn't just that the East Germans were courageous and Helmut Kohl was far-sighted. It was also the fact that the Chancellor of German unity was above all a person who was trusted in the world – in Europe and in the United States of America. We know how much trust we were granted. That's why we as the reunified Germany keep on trying to live up to this trust.

That's why it is apparent that Germany, Europe's largest economy, has a particular responsibility for our continent. I think we have particularly noticed this in the past two years, during the massive international financial and economic crisis. This spring, only a few months ago, we as the European Union stood on the brink of a precipice. Only through a considerable concerted effort was it possible to avert damage to the entire monetary union.

At that time I acted for Germany as the German Chancellor, but also a firm believer in Europe. Because I believe in Europe, I proposed that my parliament, the German Bundestag, take unusual and previously unimagined routes in order to help Greece and thus to ensure the stability of the eurozone as a whole. I was motivated to do so by the European project. This is the only reason why I decided to implement a short-term solution for the rescue package as well as ambitious reforms and strict austerity programmes for Greece and other countries. I faced severe criticism for this: For some it was too slow, for others too fast. But I believe it was the right thing, on the one hand, to insist that countries which caused such a crisis will have to take action themselves in the future and, on the other hand, to make clear that we bear a shared European responsibility. I think that today everyone in Europe agrees that on the whole this was the right way to bring Europe back from the brink of disaster. A great deal was at stake. This spring in the German Bundestag, our parliament, I said, "if the euro fails, Europe fails." That's why it's so incredibly important to secure the long-term stability of the monetary union so that we can continue to develop our visions of a shared Europe.

What are these visions? It's the vision of a union that enjoys enduring success through a way of life and social model which unite competitive strength with social responsibility. As we have witnessed in the international financial crisis, when life is governed by market excesses, then we do not have a just social model and we drive the economy to ruin. That's why the balance between economic strength and social

responsibility is so important. That's why we have enshrined the social market economy in the Lisbon Treaty.

The vision of Europe is the vision of a union that is decisive, united and thus convincing in pursuing its interests in the world. This European Union is founded on values: freedom, responsibility and the dignity of the individual. It is our task to advocate for these values in a world in which not everyone is beholden to them – to uphold these values together as a group of 500 million people. It's the vision of a union that courageously tackles the great challenges of our century – whether it be respecting human rights, securing peace and stability, or protecting the climate and promoting sustainable energy supply. This means that we depend on the credibility of our lived values and, at the same time, we have to contribute our economic strengths.

The architects of the economic and monetary union were unable to predict the crisis this spring. But today we know: we can only have a strong European Union if we use this crisis as an onus and an opportunity. That's why I have spent the past few weeks advocating that we not merely put this crisis behind us, but rather take forceful preventive measures so that the crisis does not recur.

Of course there is always tremendous public debate when Europe is seeking the right way forward. It is my personal opinion that problems must not be swept under the rug. Harmony alone is not an end in itself for Europe. The key issue is that Europe must be built on a strong foundation. That's why we need a culture of stability and that's why we need shared values. That's why on Friday in the European Council we agreed on crucial new avenues, which also include sanctions in conjunction with the Stability Pact, and which will coordinate economic policy much more closely, and with which the member states cannot simply run up debts but rather must strive for economic strength and financial stability.

As important as all of this is, we nonetheless need a mechanism to ensure that we do not face an emergency again. That's why we have said that in case such a crisis recurs, in case the euro and the monetary union as a whole are someday in danger again, we need a mechanism that can manage crises and that is anchored in the Treaty. That's why we have decided on a limited Treaty amendment which we intend to discuss in December.

Ladies and gentlemen, it took us years to adopt the Lisbon Treaty. As the Federal Republic of Germany held the Presidency at the time, I myself dealt extensively with this issue. None of us would take the decision to reopen treaties lightly. But I believe the European Union must be able to act and able to respond to the demands of a particular time. We cannot say that because a treaty took us ten years to amend, because it was so much work, the possibility of amending it again in the future is ruled out. Such a Europe would not be viewed as capable of action – neither by the world markets nor by the countries of the world. That’s why we need a crisis mechanism and that’s why we want to include private investors, so that they can contribute their share. Because what we are talking about is an understanding of policy in which policy is neither driven nor dragged along by the economy, but rather aspires to shape our shared existence. Because such a mechanism requires a legal foundation, we also need a limited amendment to the Treaty.

Ladies and gentlemen, Jean Monnet, the first honorary citizen of Europe, knew that “nothing can be achieved without people and nothing can endure without institutions.” This means that on the one hand we must seek people’s support and try to ensure that this Europe is what they want. On the other hand this Europe needs institutions which render it capable of acting. The Lisbon Treaty has placed the institutional structure on a new foundation. Now, roughly a year after the entry into force of the Lisbon Treaty, we face the question of how we can better shape the interplay of institutions.

The economic and financial crisis once again revealed how closely interlinked our European economies and societies already are. It also showed that the division of labour between the Union and the member states largely worked. But a familiar old pattern of reasoning has crept back into the debate, one which evokes the so-called community method. If you look into the history of the European Union you will find that this is a term familiar to many; it’s a translation of the unwieldy German word “Gemeinschaftsmethode”, which is cited frequently and in many languages. I suspect you’re familiar with the term from your studies. It describes the Commission’s sole right of initiative as well as the role of the European Parliament and Council in European legislation.

As a representative of a member state I would like to say now that it sometimes seems to me that the representatives in the European Parliament and in the European Commission see themselves as the sole true champions of the community

method. They sometimes define themselves in opposition to the supporters of the intergovernmental method, who by that mean the Council, the European Council and the member states. Those are the intergovernmentalists, as it were, while the preservers and protectors of the community method stand on the other side.

I have to tell you I am rather sceptical about this argument and whenever I hear it, I want to refute it, since I believe it fails to do justice to the way we cooperate in Europe. The community method is of course a way of describing the European legislative process – as I said, the Commission takes the initiative here.

For one thing, it is not just the Parliament that deliberates on legislation but of course the Council as well. The Council is part of the European legislative process and is composed of representatives of the member states; representatives of the Commission participate in its deliberations.

Secondly, it should not be overlooked that the European Council, too, is part of the European Union; it is a European Union institution. The member states are constitutive elements of the Union, they are not its adversaries. In my speech today I would really like to take the opportunity to invite us to see ourselves as all belonging to Europe – the member states just as much as those who represent the European Parliament – who are also, by the way, from the member states – and those who represent the Commission. For only together can we be a Europe of the citizens.

Thirdly, a particular solution is not, after all, automatically better simply because it has been put in place or implemented by EU institutions. Right from the start of the European Union in fact the subsidiarity principle has consistently played a crucial role. What does this concept mean? It means for me as a politician making sure problems are always dealt with at a level as close as possible to the citizen. What can be better dealt with at municipal or local level need be no concern of Europe. What Europe should be concerned with are the problems that are better dealt with by us all together; the member states should be concerned with the problems they can better deal with alone. Otherwise the business of politics becomes very remote from ordinary people.

Fourthly, the community method can of course only be applied in those areas where the European Union actually has competence. The Treaty of Lisbon lays down that the member states are the guardians of the treaties. This means it is the member

states which decide that the Union has competence for something, if they believe the problem can be better dealt with at European level. Consequently, the community method does not serve to transfer competences to European level, it is rather a method of ensuring that competences which have been transferred are exercised well, properly and efficiently. Where there is no community competence, the community method can clearly not be applied.

What this all adds up to is that no one of us is more European than another – depending on our place in the overall scheme – but that all of us together are Europe. As Herman Van Rompuy, our Council President, recently commented, “Often the choice is not between the community method and the intergovernmental method, but between a coordinated European position and nothing at all.” In other words, a coordinated European position can be arrived at not just by applying the community method; sometimes a coordinated European position can be arrived at by applying the intergovernmental method. The crucial thing is that on important issues we have common positions.

So let me expand on this and show how it can work in a positive way. If all the major stakeholders – the Union institutions, the member states and their parliaments – complement each other by acting in a coordinated manner in the areas for which they are responsible, the immense challenges facing Europe can be tackled successfully. Who is responsible for what is very clearly defined. We wanted a self-assured European Parliament, which under the Treaty of Lisbon now legislates on a par with the Council. We wanted a European Commission that is a fertile source of ideas and retains its monopoly to initiate legislation. It remains the guardian of the Treaties; that is absolutely as it should be. And we wanted the European Council to be an institution with a permanent President. That means the Heads of State and Government of the 27 member states and the President of the European Commission lay down jointly with the President of the European Council guidelines on how the Union should develop.

Given this new division of competences, I believe we must put old rivalries behind us, we must set common goals and adopt common strategies. Perhaps we can agree on the following description of this approach: coordinated action in a spirit of solidarity – each of us in the area for which we are responsible but all working towards the same goal. That for me is the new “Union method”. I think this is the kind of approach we need. Let me explain why with the help of one example.

One area that has become increasingly important recently is energy policy. In early February, for instance, the Heads of State and Government plan to hold a special meeting to discuss energy policy. As I see it, in this area especially the Union method can help us move ahead in a new and more positive direction. If we look back at the history of the European Union, we note that the European Union began in the area of energy. At that time energy meant coal and steel, clearly what the European Coal and Steel Community was all about. Nowadays the importance of coal and steel in our European endeavours has declined somewhat. Yet in the same way as energy was once one of the reasons for establishing the European Community, so it is now again right at the top of our agenda.

We can all still remember the gas crises of recent years. The shortages they caused in a number of European countries have forcefully reminded us how crucial supply security is and what disadvantages are attached to our dependence on energy imports. In recent years we have seen considerable price swings in energy markets. They have caused severe problems for the European economy as well as millions of people. And finally there is the whole complex of climate change and environmental degradation. These generate enormous costs and threaten livelihoods on a massive scale.

In a nutshell, reliable, affordable and environmentally sustainable energy supplies are fundamental to our way of life. That is why we in Europe would be well advised to set energy policy on a new course. The member states decided with good reason that energy policy should be an integral part of the Treaty of Lisbon. Accordingly, responsibility for energy policy is now shared between the Union and the member states. In this area both the Commission and the member states have competence.

In my view the European Union's main role should be to promote a functioning internal market in energy – which at the moment we do not yet have – as well as interconnected European energy networks, supply security, energy efficiency, and new and renewable sources of energy.

If we are to realize the goals that must always guide energy policy – namely, environmental sustainability, efficiency and supply security – we need not only better coordination of what we do at national level, we also need to do more at European level. Let me expand on two points to illustrate what I mean.



Firstly, we must act at national level to implement agreed European targets.

It is up to the member states themselves to frame their national energy policies – to decide to extend the operating life of nuclear power stations, for example, as we have done in Germany, to decide to phase out nuclear power or phase it in again. During Germany's EU Council Presidency in 2007, however, we agreed on a set of ambitious European targets to be achieved by 2020. These are an at least 20% cut in greenhouse gas emissions over 1990 levels, a 20% cut in energy consumption and a 20% increase in the share of renewables in the total energy mix. To achieve this goal, every country has to do its share – this has all been spelled out in detail. If we concentrate in our national energy policies on what must be done to deliver our share, we will together achieve our European goal as well.

Commissioner Oettinger, who is responsible for energy at the European Commission, has plans here that have my support. In the new so-called Energy Strategy 2020 he will present a meticulous analysis of the challenges we face and ambitious proposals for addressing them. For however wonderful our European targets are, they will of course only serve their purpose if our nations take appropriate action. Obviously the member states must demonstrate – and this is the true essence of the Union method – that they are serious about reaching these targets. In other words, first there must be a European consensus on the targets to be achieved, then action to deliver them.

Clearly we therefore need national energy concepts. That is exactly what the Federal Government has been working on in recent months. Germany now has an ambitious national Energy Concept. By 2050 we want to see renewable energies accounting for some 60% of Germany's final energy consumption and to cut greenhouse gas emissions by at least 80%. That is an extremely ambitious plan. We spell out exactly what we want to achieve and how we plan to do it – from reducing consumption to increasing competition in electricity and gas markets.

Whatever progress we make at national level obviously benefits Europe as well. But thought also needs to be given to what additional contribution only Europe can make here. We need to think, for example, about how we can better coordinate member states' efforts to expand the use of renewable energies. We need to work together to ensure Europe takes the technological lead in areas such as energy efficiency, power

plant systems and renewable energies. Obviously we need to bring research and industry on board, too, we need healthy competition for the best brains and the best ideas. Here the right incentives must be created at European level.

Secondly, we must complete the internal market in energy and develop energy infrastructure. The internal market is – as I am sure we all agree – one of Europe's biggest success stories. Germany in particular has benefited from it hugely. If the internal market is to be truly completed, new powerlines are of vital importance. Here we need above all more cross-border agreement on and European coordination of national efforts. For in future national and European energy networks will have to cope with far more than they did only a decade ago. They will need to transmit huge volumes of energy across great distances, for renewable energy is not consumed where it is produced. In Germany, for example, in future far more energy will be produced in the north in the form of wind power than is the case today. Nuclear power on the other hand, which in Germany is mostly produced in the south, is a bridge technology that will be progressively phased out. During this period we will therefore have to build entirely new transmission infrastructure. The networks must also be able to respond flexibly to the different volumes of energy being fed in, since as you know, wind force and solar radiation are not constant. We need energy reservoirs and smart grids throughout Europe.

This means we have to get the message across above all to our citizens that new infrastructure is needed. It must be clear that without new energy networks, there will be no competition gains, without new energy infrastructure, no expansion of renewable energies. That is why I think Commissioner Oettinger is onto a good idea when he suggests that we should together prepare a map of Europe's priority energy infrastructure projects. That way, every member state is then responsible for ensuring these projects are implemented. However, if one country fails to deliver, the whole European system of coordination will collapse. That is why it is so important, on the one hand, that there is a commitment to European cooperation and, on the other, that the member states are responsible for action to deliver. It is just not good enough if one member state – Germany tends to take a very long time here – needs 15 or more years to complete authorization and planning procedures, while other member states may manage this much quicker. That means it is crucial now that we all act in a coordinated fashion and let our citizens know this is what we are doing. We need to tell them that if they stop certain projects going ahead, they are not just stopping

something in Germany, they are also undermining the whole process of coordinated European action.

What is important now is to implement in full the third internal energy market package. This contains a host of regulatory tools that will enable us at European level to act in a coordinated manner and which must now be transposed into domestic law.

I have attempted to explain, taking energy policy as my example, what I mean by the Union method, which is really a combination of the community method and coordinated action by the member states, and to demonstrate that the success we strive for depends on whether each of us – wherever we are placed – lives up to our responsibility for Europe. In this context I believe energy policy serves as a good and highly topical example. But of course we will have to adopt a similar approach in many other cases. I took this just as an example to illustrate what this whole exercise is about.

And now a final word to the members of the Albert Einstein class assembled here today. During your stay in Bruges you have certainly had quite a few opportunities to discuss the European Union's new institutional order and the immense challenges it faces. You will probably have heard at least as many different opinions on this as we do from time to time in the European Council or the European Parliament, too, for that matter. That is democracy for you. This is why it is a good thing that from such a diversity of opinions we then decide by majority on one course of action. For much of my life this was an experience denied me. And for all our sakes I cannot see any reason why one would want to return to that seemingly simple way of doing things.

What has made Europe strong – and we see this again and again – is this deep sense that the European Union is an amazing boon for us all. The Berlin Declaration on the fiftieth anniversary of the Treaties of Rome states that “we have united for the better.” However much we may bicker and disagree on the details of what is best for Europe, this is something we must never forget. Europe is about rational thinking, Europe is about competition and the internal market, but Europe is also and will remain a matter of the heart. If during your studies here you experience Europe in both these senses, you will have spent your time very well indeed. Here Albert Einstein will stand you in good stead, I hope.

Thank you very much!