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**Herman Van Rompuy
President of the European Council**

**Speech at the Humboldt University, Walter Hallstein Institute
for European Constitutional Law**

"The discovery of co-responsibility: Europe in the debt crisis"

(or. DE)

It is a great honour and pleasure to speak to you here today. Here in the venerable Humboldt University in Germany, in Berlin. I regret that, as a politician, I too often just have "a suitcase in Berlin". As the saying goes, "*Berlin ist eine Reise wert*" – Berlin is worth a journey.

(or EN)

The speech delivered here by Joschka Fischer in May 2000 triggered a Europe-wide constitutional debate. As you know it ended seven years later when European leaders reached an agreement on today's Lisbon Treaty.

During those seven years, I was as a Belgian former vice-prime-minister, in the opposition... So I did not take part in negotiating or drafting the Lisbon Treaty.

After another two years, the leaders of 26 European countries asked the then Belgian Prime-minister to be the first to embody one of the Lisbon Treaty's most visible innovations: the full-term and longer-term Presidency of the European Council – and I accepted.

That is why tonight, I am happy to come to the Humboldt University and say to you: *Vielen Dank* for the brilliant idea of inviting Herr Fischer to deliver that speech!

P R E S S

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Since then, in what has become the Humboldt Series, many distinguished speakers have spoken here, setting out their vision of Europe's future. Where is Europe heading? How will our Union develop? What impulses does it need?

Today this question is taking an even more dramatic turn. The future of the Union as such is being questioned, or at least that of the euro, the Union's symbolic heart.

Until recently, when considering this future, it seemed natural to imagine that Europe would become more centralised. Today we are seeing a stronger presence of the member states and of national leaders, who have been forced to take centre stage in the euro crisis, later in my speech, I will try to prove that this is not contradictory. In dealing with the crisis, the bonds between member states have also been put to the test. At times, moving forward meant some countries being left behind – by the 17 of the Eurozone, the 23 of the Euro Plus Pact or the 25 of the Fiscal Compact.... Some see in such signs the return of the ghosts of the past and worry about a “renationalisation of European politics”.

Tonight I will argue that in fact, we are going through a crucial phase for the future of Europe. The debt crisis, difficult and painful as it is, brings home the fact that the Union is us. Right here and now, in everyone's daily life. Europe is not a great abstract idea for the future, no it is our daily experience!

I will underline two key words tonight: interdependence and co-responsibility. First the economic and political interdependence of our countries, which was accelerated by the euro. Second the new awareness of co-responsibility among Europe's leaders which it has provoked.

I further believe, and all my work is directed toward this end, that this awareness of co-responsibility needs to grow further, in order for our Union to live up to its deepest political vocation: bringing peace and prosperity for the peoples on our continent, acting strongly on the global stage.

Co-responsibility hit the Union's 27 Heads of State and Government almost by surprise. Many of my colleagues would actually have been quite happy to take a less prominent role in solving this crisis! However, since the start of the Greek crisis – almost two years ago to the day, and it is not over yet – the events forced such momentous decisions upon us that Heads of Government had to step in, together. They are particularly well-placed to assume the responsibility needed to carry these decisions through, to convince parliaments and voters across our Union of what has to be done when the future of our common currency is at stake.

I am convinced that this experience will have an impact on the way the Union operates beyond the crisis, on the way we shape the Europe of tomorrow. Sixty years of integration has taught us that Europe is not built by dissolving Member States, but by infusing them ever more deeply. A slow process which sometimes gets a sudden push. As Chancellor Merkel said in an interview two weeks ago: “In this crisis we have reached a whole new level of cooperation; we have arrived at a sort of European home affairs. Europe is domestic policy.”

This is precisely why my message to you tonight is this: what we are currently going through is not a “renationalisation of European politics”, no, it is the “Europeanisation of national political life”. And ultimately, with all its limits and its risks, this change will make the European project stronger.

I want to set out to you tonight why this matters for leaders, why it matters for parliaments, why it matters for Germany. We are facing a long crisis. It affects the very idea of Europe. Of course, one could say that all political institutions in Western societies have to adapt to deep social, cultural and economic processes, to a slow decline of the sense of the public good. And Europe also suffers from that. But there is more to it.

The mistrust that we witness towards the EU’s actions and decisions, and to the European idea as such, is first and foremost due to the fact that the crisis is still very much with us. The results are not there yet.

Legitimacy arises when people see, hear and feel that a political order benefits their prosperity, their freedom and security, that it safeguards their future. In that respect, it doesn't help that in the eyes of the public, the word "Europe" these days resonates with austerity and painful reforms. Even if the decisions are national – and even if a public deficit of 15 pct and a public debt of 160 pct are unsustainable, EU or no EU –, in the process the Union loses its shine.

All the more since austerity is often perceived as unfair, and revives the question of redistribution of income. The financial crisis, extravagant bonuses, growing inequalities in our societies -- all of this contributes to making it more acute. Among academics, you would maybe call it: a debate on "redistributive justice". Yet politically and socially it means: rising social tensions, maybe strikes and protests.

The fact that solving the crisis is taking much time -- more time than expected, let's be honest -- and that the crisis impacts on peoples' lives, sometimes their place in society, brings the question of legitimacy to the fore.

I am not one to underestimate the obstacles on our way. Getting to grips with the crisis takes time because there is real social and political resistance that needs to be overcome, in all member states. Deep-seated resistance both in countries with weaker economies who have to reform and reduce their public debt and deficit, and an understandable reluctance in stronger countries to step in with loans for the others, when these loans by themselves do not solve the underlying problems. Moreover, both sides worry that the end is not yet in sight.

In view of these obstacles, what we did manage to achieve in the past two years is actually quite remarkable. Stronger self-control by the member states (the debt brake). Stronger surveillance on budgets, bubbles and banks. Better means to enforce the rules. Conditional rescue loans to three countries in difficulty. A permanent firewall against contagion in the making. In fact, two years ago, nothing of all this existed. Building a lifeboat in the middle of the storm has taken time and energy.

It is not my purpose tonight to go into details, let alone to sing the song of major achievements. What interests me today is that many of the decisions we took over the past two years were quite simply unthinkable only a few months before.

Why have we been able to achieve these things? How has the Union as a whole tried to respond to the crisis? For me, the key is the unprecedented economic and political interdependence between euro countries and between all members of the Union.

Observers often focus on the economic side of this: on capital flows and the like. But there are also recent examples that highlight the political side of this interdependence. Let me mention a few of them.

The fact that the Prime Minister of one European country, last autumn, decided to sacrifice her government in order to be able to honour her personal commitment towards a stronger firewall to protect the euro from contagion.

The fact that votes in the Bundestag, because of their Europe-wide ramifications, are being covered by daily newspapers from Portugal to Poland.

The fact that the European six-pack legislation, that was adopted last year by the European Parliament and the Council of ministers, is already having a direct impact on budgetary negotiations and relations between political parties in Belgium.

The fact that peer pressure among leaders in the European Council has never been so strong – so that situations like the one we went through in 2003-2005 when the rules of the Stability Pact were discarded, not least by Germany and France, will not be repeated.

And also, the fact that announcing a referendum on the euro in one country caused a collective gasp all over Europe, in newspapers, on websites, in coffee corner talk. It was like a sudden lightning revealing what it means to be part of one Economic and Monetary Union. A community born of necessity has become a community of responsibility.

Interdependence: a new reality developing before our eyes, and more importantly, citizens are accommodating to it. Grudgingly, half-heartedly, reluctantly, but would you really expect otherwise, when a stable framework like the euro is suddenly questioned, when people personally have to face hard facts like higher taxes or a later retirement age?

Yet for governments this interdependence means something else; for them it means the discovery of co-responsibility. A call of duty. They have to act together. Some would say dismissively the national leaders have only acted for the European good under the pressure of events, not out of inner conviction. Well, the pressure of events can be very effective too. Ideas can guide men; hard facts teach them.

Today we face such a moment of co-responsibility. Each country -- and I am in particular thinking of Greece -- is not only responsible for itself but also for the monetary union as a whole. We carry a common project, even if the choices are made nationally. Forgetting this in our actions undermines the common good.

Coming back to the role of national leaders: they have taken this up as an obligation, not one imposed by the Treaty, but by the course of history. Let us pause a moment at this concept of responsibility, a deeply political term.

Understandably, it is not a frequent word in official EU language. Lawyers and civil servants and even parliamentarians are more used to the language of “competences”. “Why does an institution act?” “Because it has the legal competence.”

Yet a crisis calls for legitimacy of a deeper nature than that granted by competence alone. A crisis is a moment for responsibility. This is as true in life in general, as in politics. Responsibility is not easily defined, but it is not arbitrary. For one thing, it is a response to something (a situation, a social bond, suffering).

Responsibility is also linked to capacity and power. That is why we can say (unlike for equality before the law) that some people or countries are expected to be more responsible than others. Importantly, it ultimately is also a free act. Strictly speaking, in the final analysis, nobody can be obliged to behave responsibly.

When I say the crisis put Europe’s national leaders face to face with co-responsibility, two reasons spring to mind why it fell upon them, personally.

First of all: there is a lot of money at stake. The public debt crisis, like the banking crisis in 2008, requires taxpayers’ money (albeit also in loans and guarantees). Given that the central EU budget is relatively small (ca. 1 pct of GDP), the EU institutions as such cannot act decisively on their own. It is therefore essential for the Member States to step in. And the amounts are such – around 212 billion euro for Germany in commitments to the rescue fund EFSF and ESM – that within countries the decision can only be taken at the highest political level. Many prime ministers would prefer this issue to stay in the hands of their Finance Minister... The need for national money and therefore the involvement of national leaders and parliaments is simply a fact.

Secondly: in times of crisis, we reach the limits of institutions built on attributed competences. When we enter uncharted territory and new rules have to be set, the European Council, bringing the 27 country leaders, the President of the Commission and the President of the European Council around the table, is well placed to play its part. It is one of the reasons the European Council was founded in the 1970s. A formal institution since the Lisbon Treaty, the body still combines the force of the Member States with the qualities of the older institutions.

As President of the European Council, my aim is to involve everybody, to find compromises that respect the interests and sensitivities of each member state, the prerogatives of the institutions, and also the interests of the Union as a whole, it sounds easier than it is!

It is not surprising that this crisis has confirmed the vocation the European Council has acquired since its foundation. Keeping out of day-to-day business which the other institutions do much better (in the well-tested framework of the “Community Method”), yet springing into action to deal with the special cases – changing the treaty, letting new members in the club, dealing with a crisis. In all these cases it draws upon the collective legitimacy of its members.

Nevertheless, not everybody is satisfied by this situation. Some citizens may criticise that far-reaching decisions concerning their own lives are being taken by a small group of leaders. Some political actors feel side-lined in the crisis management. Some say the traditional "Community method" is abandoned.

I have a more nuanced view. Over the past two years, we have worked to make sure that Europe’s institutions can deal with this new interdependence. To translate this experience of co-responsibility into stable institutions.

But even if we had to use the “intergovernmental” road..., I'd like to underline that the work we have been doing has actually resulted in stronger central institutions. The Commission has received unprecedented supervisory power. The Court will control the transposition of the debt brake. The European Parliament was decisive in designing the new budgetary and macro-economic surveillance, the so-called "six-pack", which is the backbone of the whole enterprise.

In the three major recent efforts by the Union to give itself a better economic governance – the Task Force on economic governance, the Euro Plus Pact, the Fiscal Compact – I worked hard together with the Commission to bring the results within the normal EU framework. The EU's history is full of examples which started outside the Treaty and are now part of it, just think of Schengen for instance.

When it comes to budget policies, the division of labour is subtle. Member States set the ceiling on debt and deficit together, at the Union level, and they decide individually how to raise money and spend it.

Within this new division of labour, the national parliaments fully keep their budgetary sovereignty (at least as long as national policies do not threaten the financial stability of the euro itself!). Nevertheless there is some uneasiness among national politicians about the EU’s new tasks. Even some governments who have always favoured stronger European institutions and who expect “Brussels” to point fingers at badly performing countries, now realise that one day the finger may be pointed at them... But you have to be consistent: we cannot develop European policies only for weak countries, because “Europe”, that is all of us together! Still, the feeling of co-responsibility isn't felt as strongly in national parliaments as it could be.

Recent events show that each and every part of national political life can take on a European dimension! Every national MP should therefore take an interest in talking to fellow parliamentarians in Strasbourg and in other member states – a member of the Bundestag can only gain from speaking with, let's say, Italian or Slovenian colleagues -- and vice-versa!

The new Fiscal Treaty introduces meetings of the budget committees of national parliaments with the European Parliament. Even if this forum does not take decisions, it is important as a forum of exchange, as an eye-opener.

In meetings of the European Council, one feels the presence of all these parliaments. Not only do we listen to the President of the European Parliament at the beginning of each of our meetings – a Parliament to which one of our colleagues, the Commission President, is directly accountable. Many national leaders, in our discussions, refer to the position of their parliament, to defend specific amendments.

In that respect I sometimes have the impression that I am the only one in the room without a parliament! As a long-time elected politician, and a former President of a national parliament, I miss this dearly!

I do have voters of course, but they are not so numerous, only 27. In terms of an earlier example from the European constitutional tradition, it is more like having 27 “*Kurfürsten*”, the Prince-electors of the Holy Roman Empire...! (I thought here in Berlin with its *Kurfürstendamm*, you might appreciate the reference...)

But unlike those from the past, my 27 electors are all democratically elected themselves! I could add, if the President of the European Council were to be directly elected in the future himself, his role would change and it would be the end of the honest broker.

I have set out why, all in all, I do not see a fearsome return of the past, but something else: a Europeanisation of national politics. I hope the students and academics among you will take this perspective up in your analyses. But only we all, politicians and citizens alike, can make it really come true!

(or. DE)

I would be missing an opportunity if, here in Berlin, I did not mention Germany's role in the financial crisis, precisely when we are talking about overall responsibility.

Of course, it is not my job to advise Member States on their specific responsibilities. However, allow me to make the following comments.

On economic and monetary issues, it is normal for a country that – at least in absolute terms – makes the biggest contribution to assume a special role.

But the "biggest contribution" does not mean the only contribution. I sometimes get the impression that some Germans have the feeling that they are being made solely responsible for the debt crisis. That is simply not the case: one quarter from the German purse implies that three quarters come from the purses of the other euro countries.

The EU is a Union of 27 members, and the euro area has 17 members. In the European Council we need every vote. Our decisions are taken by consensus. And indeed, thankfully nobody has sole copyright on budgetary discipline or competitiveness.

In addition, the Union is not just an economic union. It covers a broad range of subjects, with regard to which there are differing sensibilities and capabilities among the 27. It is often difficult to say who has overall charge. Just think of the European foreign policy situation.

I therefore refuse to resort to simplistic caricatures or superficial analyses when it comes to "Germany in Europe". We must deal with the crisis together, and the final result can only be "more Europe".

The more countries – including large countries – that feel enthusiastic about this, the better. It is our only future.

Are we witnessing Germans overcoming their rather hesitant attitude and bringing their full weight to bear in favour of "more Europe"? Not an easy question, but my answer is "yes".

When I see how this country debates its place in Europe in an exemplary manner – between parliamentarians and intellectuals, but also in the general public – and when I see how, in the process, it increasingly renews its belief in the European community of common destiny and responsibility – then, yes, I believe that that is what we are witnessing. And I believe that this is an act of responsibility. A joint, voluntary act.

Europe needs not only political action, but also positive attitudes towards its task. Particularly from its political representatives. The language used by leaders is the foundation on which politics can build. Not least on this account I have gladly taken today's opportunity to talk about Europe – our Europe, the Europe of us all.