



EUROPEAN UNION
Delegation of the European Commission

The European Union: Stages of Development

Unit 2



INS 591

The European Union

Professor Roy



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A Brief History of the European Union





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1950

2003



1958
1951
Treaty of Paris
European Coal and Steel Community



French Foreign Minister Robert Schuman and French Businessman Jean Monnet



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The European Steel and Coal Community



- **Schuman Doctrine, May 9, 1950**
- Proposal of Monnet's plan to the French cabinet for France and Germany to combine their coal and steel industries under a joint authority



The European Steel and Coal Community

- **Purpose:** To advance collective European interests, rather than simply to reflect the national interests of the individual member countries
 - Jean Monnet “Father of Europe”
 - Believed that the key to peace and prosperity in Europe was reconciliation between France and Germany
 - Concrete results were important in industrial sectors, therefore because of their economic and political importance at the time and their link to the war making capacities of the modern state, coal and steel were the obvious sectoral choices





The European Steel and Coal Community

- Treaty of Paris, April 18, 1951
 - 1. Created the **European Coal and Steel Community (ECSC)**, representing the first time European governments had given significant powers to a supranational organization
 - 2. Six founding member states: France, Britain, Italy, Belgium, the Netherlands, and Luxembourg
 - 3. ECSC allowed to pull down tariff barriers, abolish subsidies, fix prices, and raise money by imposing levies on steel and coal production





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1950

2003



1973



**United Kingdom,
Ireland and Demark**



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The European Steel and Coal Community

- Treaty of Rome, March 25, 1957

* Core constitutional document of today's EU

Right: Signing of the Treaties of Rome



“to work for the establishment of a united Europe by the development of common institutions, the progressive fusion of national economies, the creation of a common market, and the progressive harmonization of their social policies”



The European Steel and Coal Community

- Treaty of Rome



- Created the **European Economic Community (EEC)** and of a common market to harmonize their economic policies
- Also creating a **European Atomic Energy Community (EAEC, also known as Euratom)**, promoted the development of nuclear power established a common pool of radioactive fuels for Western Europe's growing stock of nuclear reactors



1960's

– 1960's

- Treaty Establishing a Single Council and a Single Commission of the European Communities (**the Merger Treaty**)
- **Luxembourg Compromise (1966)**- the six founding member states pledged that when issues very important to one or more states were to be decided, the Council of Ministers would try to reach decisions by unanimity
- **The Hague Summit (1968)**- the starting point for several long-term initiatives that were to preoccupy the community over the next several decades and that even today are central to the European Union's agenda



1970s

1950

2003



1973



**United Kingdom,
Ireland and Demark**



– 1970's Con't

- Establishment of the **European Council (EC)** in 1974
- The first direct elections to the **European Parliament (EP)** in 1979
- **European Monetary Systems (EMS)**, purpose to limit the EC country currencies that have disrupted the functioning of the internal market



1980's



Fall of Berlin Wall

The 1980's was a difficult period for European integration: Europe lost competitiveness in traditional industries such as car, steel, shipbuilding, and textiles, and failed to establish strong provisions in newer industries such as computers, electronics, and aviation



1950

2003



1981
Greece



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1950

2003



1986
Spain and Portugal





The European Union

- The Maastricht Treaty 1992
 - Created the European Union
 - Achievements
 1. A detailed blueprint for the establishment of Economic and Monetary Union (EMU) by the end of the decade
 2. Established the political union through a complicated structure that differentiated between economic matters on the one hand and foreign policy and internal security matters on the other
 3. Included other innovations, such as the Social Charter, EU citizenship, strengthening of the Parliament, subsidiary (*concept that attempts to define what decisions are to be taken at which levels*), and other reforms
- *The combination with EMU and political union increased the overall significance of the Maastricht achievement



The European Union

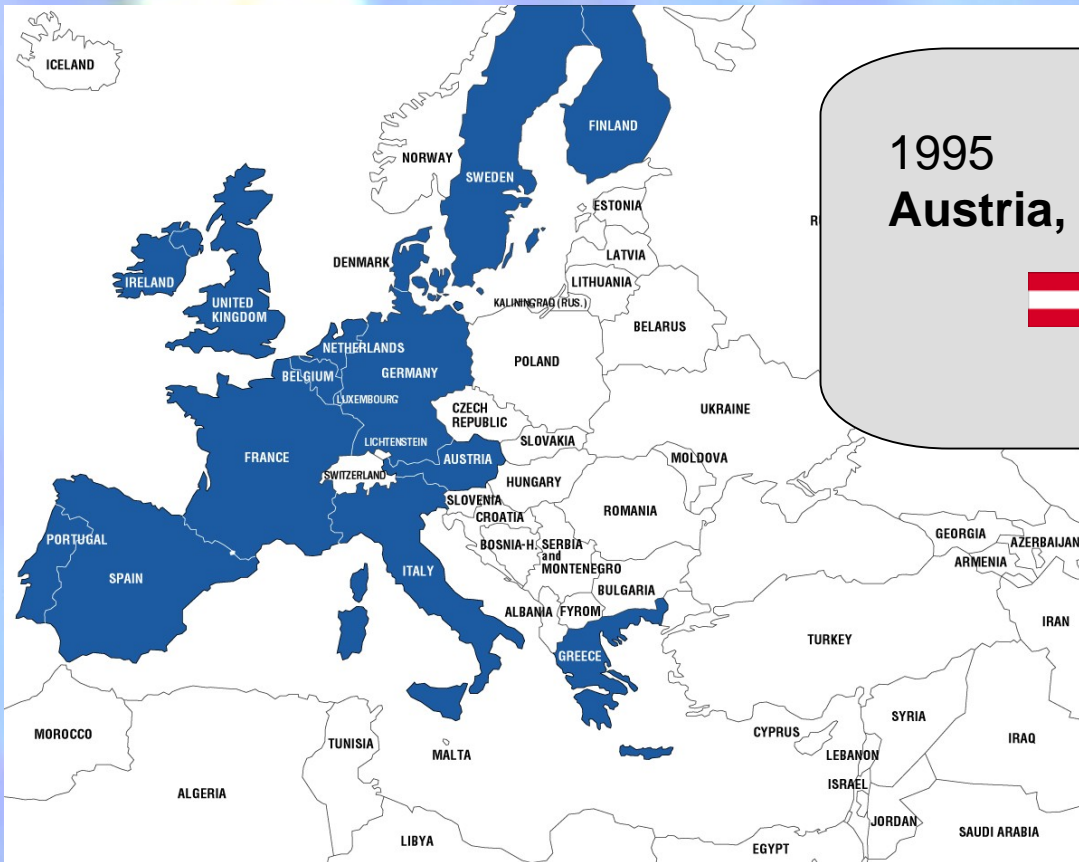
- The Pillar Structure
 - 1. European Community
 - 2. Defense and Security
 - 3. Home Affairs, Justice, Immigration, and Control of external borders, and combating drug addiction and international crime
- *The three-pillar structure established by Maastricht remains valid for the EU today, although some elements of it were modified by the 1997 Treaty of Amsterdam



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1950

2003



1995

Austria, Finland and Sweden





Treaty of Amsterdam

- Problem: The prospect of adding ten or more members lent new urgency to calls for reform of EU institutions. The Union was already too large to function with essentially the same set of institutions that had been devised in the 1950s
- The Treaty of Amsterdam amended the Maastricht Treaty and the Treaty of Rome.
 - The aim of the negotiations was clear: to create the political and institutional conditions to enable the European Union to meet the challenges of the future such as the rapid evolution of the international situation, the globalization of the economy and its impact on jobs, the fight against terrorism, international crime and drug trafficking, ecological problems and threats to public health



Treaty of Amsterdam

- What does the treaty accomplish?
 - **Freedom, security and justice**
 - to protect fundamental rights within the European Union, such as equality between men and women, non-discrimination and data privacy

- **The Union and the citizen**

Improvements areas directly affecting the rights, interests, and well-being of individual citizens

- **Effective and coherent external policy**

the challenges and practicalities of extending the scope of the common commercial policy to include international agreements on services and intellectual property rights





Enlargement of the European Union



10 applicant countries
joining the EU in
2004:

- Cyprus
- The Czech Republic
- Estonia
- Hungary
- Latvia
- Lithuania
- Malta
- Poland
- The Slovak Republic
- Slovenia



Stages of Development

- Free Trade Area
- Customs Union
- Common Market
- Economic Union
- Political Union
 - Theoretically the EU is moving forward to Political Union



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The European Union: The Institution and Laws

Unit 3

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By: Morgana Rolle



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The Institutions of the European Union





The Institutions of the European Union

European Council
25 Heads of State or
government

Council of the EU
25 ministers

European Court of Justice
25 judges

Committee of The Regions
317 members

European Parliament
732 members

Econ. & Social Committee
317 members

Court of Auditors
25 members

European Commission
25 Commissioners

European Central Bank

European Investment Bank



Major Institutions

- **The European Council**
 - Supreme political decision-making body of the European Union
 - It is composed of the Heads of State or Government of the Member States and the President of the European Commission
 - Defines the general political objectives and directives of the EU. It meets at least twice a year, always at the end of a Presidency in the country, which holds the six-monthly rotating Presidency



The Council of the EU

- General Affairs and External Relations
- Economic and Financial Affairs ('Ecofin')
- Justice and Home Affairs
- Consumer Affairs
- Competitiveness (Internal Market, Industry and Research)
- Transport, Telecommunications and Energy
- Agriculture and Fisheries
- Environment
- Education, Youth and Culture





The Council Presidency

- Rotates every six months
- Currently the Netherlands holds the Presidency
- From 1 Jan 2005
Luxemburg will hold the
Presidency





The Council

- Legislative Powers (with Parliament)
- Co-ordinate economic policies
- External agreements
- Approves EU budget (with Parliament)
- Common Foreign and Security Policy (CFSP)
- Justice and Home Affairs (JHA)



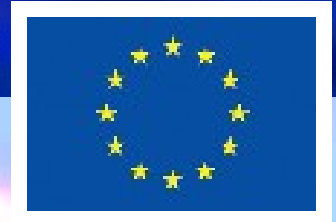
Major Institutions

• The Council of Ministers

- Known as the Council of the European Union since the Maastricht Treaty, is the EU's primary legislative body in the first pillar
- Composed of one minister from each member state, the frequency and importance of the different types of sessions vary depending upon the degree to which an issue area is subject to EU competence
- The weighting of votes is based roughly on population size, but the weights do not fully compensate the larger member states for the size of their populations
- Leads in formulating and implementing policy in the second and third pillars



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European Commission





Major Institutions

■ The European Commission- *“guardians of the treaties”*

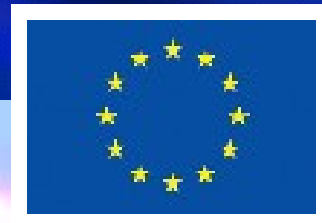


Romano Prodi, President of
European Commission

- Exclusive body of the EU
- Implements and enforces EU policy and legislation in the first pillar
 - Responsible for drawing up the EU budget
- Exercises much more limited powers in the second and third pillars



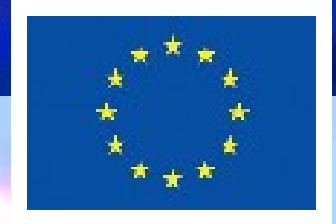
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President Romano Prodi



- Born in Italy 1939
- Professor of Industrial Organization
- 1978 to 1979 Italian Industry Minister
- President of the Republic of Italy from 1996 to 1998



European Commission

- Proposes legislation to Parliament and the Council.
- Manages and implements EU policies and the budget.
- Enforces European law (with the Court of Justice).
- Represents the EU in external relations



President Prodi addressing a press conference



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The European Parliament

- Legislative Power (with Council)
- Democratic supervision
- Authority over the EU budget





Major Institutions

• The European Parliament

- Since 1979 the citizens of the EU Member States have sent their representatives to the European Parliament by holding direct elections
- There are 626 members which has its seat in Strasbourg, are elected for five years in each case. The seating arrangement in the Chamber is defined by party allegiance and not by nationality
- Has a consultative opinion (the right to be heard) or the same decision making authority as the Council of Ministers (co-decision) depending on the subject concerned.
- Adopts the annual budget with the Council of Ministers and controls its implementation
- A supervisory body in the sense that it confirms the appointment of the Commission and can even oblige that body to resign





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The European Parliament



Building of the
EP in Brussels

Plenary Building
of the EP in
Strasbourg



Administrative
Building of the
EP in
Luxemburg





Major Institutions



• The Court of Justice

- Located in Luxembourg is the supreme judicial body of the European Union
- Its task is to safeguard EU law in the application and interpretation of the Community Treaties
- 15 judges are appointed for a six-year term by joint agreement between the governments of the Member States
- The ECJ has sole authority to decide on the interpretation of the EU law