Lecture:

The European Union represents one of the more successful experiments in regional integration in international relations. It represents an effort at promoting the economic and political integration of its members in Europe. The European Union (originally known as the European Economic Community) was designed to prevent another war from taking place between two ancient European enemies—France and Germany. The French and the Germans had fought one another twice in the Twentieth Century, during the First and Second World Wars.

Functionalism

The European Union is based upon a philosophy of international relations known as functionalism. The classic functionalist approach to world order is based on the assumption that states can create a peaceful world society through gradualistic and pragmatic cooperation with one another in technical and economic sectors of activity. Functionalism offers an alternative model of international order to the power politics approach to international relations which is characteristic of realism. The idea is to eliminate nationalism which is seen as the root cause of war by attacking national sovereignty. Classic functionalist theory argued that cooperation between states in economic areas, such as agriculture, will undermine national sovereignty in an anarchic world.

The classic functionalist believed that the idea was to pool the sovereignty of members of an international organization like the European Union, as they worked together to deal with a common task. The idea was to do away with the evils of nationalism as individual citizens would transfer their loyalties to a higher or supranational authority. It was hoped that economic and technical cooperation would “spill-over” into the political world.

David Mitrany, the originator of functionalism, believed that this would result in a working peace system. A working peace system would be built gradually and incrementally. That is, peace would be built by pieces. David Mitrany, who was born in Romania, but then spent a considerable amount of time working in the British Foreign Service, was strongly influenced by the philosophy of the Fabian Socialists, who believed that the good society could be built incrementally by bits and pieces. International organizations like the European Union would focus on the satisfaction of the welfare needs of its citizens (by providing for their economic needs). International government would emerge as form followed function. That is, an international organization would take shape to fulfill particular functions.

Neo-Functionalism

However, classic functionalism placed too much emphasis on economic determinism as the automatic engine which would drive economic integration in Europe. It underestimated the continuing importance of national sovereignty, and the role of the political will of states in ensuring whether or not economic integration would continue. Therefore, the idea of neo-functionalism takes into account the importance of the political factor in determining whether states can agree on surrendering their sovereignty to a supranational institution like the European Union. Even David Mitrany may have realized that it was impossible to completely separate economics from power politics, as national sovereignty continued on as an important factor in regional economic integration in Western Europe. Consequently, a regional economic organization like the European Union is politicized, as states seek to use it to promote their national interest when necessary.

History of the European Union
Today the European Union is considered to be an important actor in the international system, consisting of 27 countries and representing about 450 million people. There are of course, different conceptions of what Europe (as represented by the EU) is, and what it should be in the future. Some hope that it will evolve into a federal system, a sort of United States of Europe while others view it as an organization in which the national sovereignty of its members would be carefully protected. The European Union finally agreed on a new constitution for the organization on June 17 and 18, 2004. The debate over the new constitution was marked by serious disagreements between new member states like Poland and states representing “old” Europe, such as France and Germany over the allocation of voting rights in the expanded institution and whether or not Christianity should be mentioned in the Constitution as well (it was decided not to include a reference to Christianity in the constitution).

It is clear that since the end of the Cold War, the European Union has been seeking to establish an identity for itself in the New Europe which has emerged following the collapse of the Soviet Union.

Today’s European Union is the result of a half-century complex process of the evolution of various institutions and treaties. The idea of European unity, itself, of course, had been held by philosophers for centuries. The first step in the practical direction of European unity embodied the classical functionalist logic that economic integration would eliminate war from the European continent.

The European Coal and Steel Community

Given the devastation and havoc that World War II had wreaked in Europe, the time was ripe for the acceptance of the Schuman plan, which proposed the creation of a European Coal and Steel Community. Coal and steel were viewed as the backbone of the armaments industry, so the idea was to tie together and regulate the coal and steel industries of Germany and France, so that they never would be able to wage war against each other again. The purpose was to create a working peace system in the heart of Europe.

Consequently, the first step in the direction of European unity occurred when the European Coal and Steel Community was created in 1951. A major role in its creation was played by a leading French advocate of functionalism, Jean Monnet. The Coal and Steel Community embodied the functionalist approach to international relations, because it was a supranational organization, whose members agreed to pool their sovereignty. The Coal and Steel Community originally consisted of six West European states: France, West Germany, Italy, Belgium, the Netherlands, and Luxembourg.

The United Kingdom

The United Kingdom did not join the ECSC (European Coal and Steel Community), and as a matter of fact, stood aloof from the movement for European unity on the continent for a number of years. The British apparently feared that participation in the movement for European unity would adversely affect their economic relationship with the rest of the British Commonwealth, as well as the “special relationship” which they enjoyed with the United States.

The European Economic Community

The next step in the evolution of European unity, was the Treaty of Rome, which entered into force in 1957. The idea behind the Treaty of Rome was to create a common market. Tariff barriers and quantitative restrictions were to be lifted on the flow of goods and products across national borders. A common external tariff wall was erected to regulate the flow of products outside of the European community.

Deepen or Enlarge?
Over the years, two major trends have characterized the evolution and development of the European Union. One trend has been to more deeply integrate the economies of its members. This has resulted in resistance from members who have been unwilling to surrender more sovereignty to the organization, as the three separate organizations (the European Coal and Steel Community, the European Atomic Energy Agency, and the European Economic Community) were merged in 1967.

**The Enlargement of the EU**

The other trend has been the progressive expansion of the European Union in four waves, with a fifth major expansion taking place in 2004. One of the central questions which has been raised by the expansion of the EU is whether or not it would be better to concentrate on deeper economic and political integration, as opposed to trying to make the space in the institutional structure of the European Union to accommodate new members, as the EU has both enlarged and drawn up a new constitution which has to be ratified by all of its member states.

**Britain Again**

As of 2007, the European Union consisted of 27 members with Bulgaria and Romania being added in 2007. The first wave of enlargement took place in 1973, with the admission of Britain, Denmark, and Ireland to the organization. After Britain had experienced serious economic difficulties in the 1960s (even requiring a loan from the IMF to boost its sagging economy), it applied for membership in the European Community in 1967. However, its membership application in 1967 was vetoed by Gaullist France (the decision to admit a state to the European Union is based on the rule of unanimity). France vetoed the British application for membership in 1967 because it believed that England would function as a Trojan horse for the United States, allowing Washington to continue to maintain its hegemony on the Continent. Therefore, it was only several years after the passing of the Gaullist regime in 1969 that it was possible for Britain to avoid a French veto when it was admitted to the European Community in 1973. Even so, membership in the European Community was very controversial in Britain. It was necessary to hold a national referendum to secure public support for the decision to join.

British policy toward the European Union today is still marked by a certain amount of insularity, amid fears that its sovereignty is being eroded. This is clearly seen in the British decision not to participate in the EU’s common currency, the Euro, which went into effect on January 1, 1999. The euro was seen as an important step in promoting the economic and monetary integration of the European Union.

The next wave of EU enlargement took place in 1981, when Greece was admitted, followed by Spain and Portugal in 1986. The fourth wave of enlargement (following the folding of a reunited Germany into the EU in 1990) took place in 1995, when Austria, Sweden, and Finland were admitted to the European Union. Austria and Sweden are two states that have been pursuing a neutral policy, while Finland was finally able to join the EU after the Soviet Union had collapsed.

10 states from Eastern Europe, the Baltics, and the Mediterranean were admitted to membership in the European Union in 2004: Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, and Slovenia. Romania and Bulgaria hope to join the organization in 2007, while the prospects for Turkish admission seem to grow dimmer.

**European Institutions**

Although the text in chapter ten discusses the institutional structure of the European Union in some detail, it may be useful to draw your attention to some of its highlights. There are five major institutions of the European Union. These are: the Council of the European Union, the European Commission, the European Parliament, the European Court of Justice, and the Court of Auditors.

**The Council of the European Union**

[The text continues with details about the Council of the European Union, but the full content is not provided here.]
Prior to the latest enlargement, the Council of the European Union consisted of the representatives of the governments of the 15 members of the European Union, and has the responsibility of setting general policy guidelines of the organization. Voting in the Council of the European Union is based on a complex formula, with some issues, such as the admission of new members, requiring unanimity, allowing a member to exercise a veto. Other issues are decided by a QVM (qualified voting majority) which is based on a system of weighted voting. Before the latest round of expansion, the largest states, such as Germany, Italy, France, and the United Kingdom, were assigned 10 votes each, while the smaller states had 2 votes each. So the grand total of votes in the Council of Europe added up to 87. A qualified voting majority consisted of 62 votes, while a blocking minority that can prevent the Council from making a decision consisted of 5 states casting 25 votes.

Given that the European Union was expected to increase its membership eventually to 27, an Intergovernmental Conference took place in Nice in December 2000, which established a new redistribution of votes among all 27 current and potential members of the Council. However, it is important to point out that all of the decisions made at Nice are subject to the ratification of the members of the organization.

The European Commission

The European Commission, before enlargement, consisted of 20 commissioners, who were appointed for a term of five years. Each commissioner, who is a well-known political figure in his or her country, is responsible for the supervision of a number of Directorate-Generals of the EU, which deal with specific sectors of activity. One of the commissioners is appointed as President, with the approval of the European Parliament.

The European Commission and its staff constitutes a "Eurocracy" of about 15,000, which is located in Brussels. The Commission is responsible for initiating policies and studies.

The distribution of commissioners to each country is also weighted, with two commissioners allocated to each of the largest states, and one apiece to each of the smallest states. At the Intergovernmental Conference that met at Nice in December 2000, it was decided that an enlarged Commission in the future would number 27 (actually 25), one for each member.

The European Parliament

The European Parliament currently consists of over 700 members. The recent June 2004 elections were characterized by a rather low turn-out.

At first, MEPs (members of the European Parliament) were appointed by their respective national governments. But since 1979, the MEPs have been elected directly. As in the case of the Council of Europe, and the European Commission, seats in the European Parliament are weighted. The largest number of votes in the European Parliament go to the most populous states. For example, before the 2004 expansion of the EU, Germany had 99 votes, while France, Italy, and the United Kingdom had 87 votes each. Moreover, the Nice Conference has already come up with a formula for distributing seats to the future members of the European Parliament. For example, Poland was supposed to have 50 votes or seats, while Romania was supposed to have 33 votes.

The MEPs are not organized along national lines, but rather into 8 transnational groupings, which run the gamut from Socialists to Liberals to Conservatives to members of Green parties.

The Democratic Deficit
Finally, the power of the European Parliament has steadily increased since its inception, and it now plays a greater role in such areas as the budgetary process of the European Union, as well as the appointment of such officials as the President of the Executive Commission. Increasing the power of the European Parliament vis-a-vis the Executive Commission and the Council of Ministers, is designed to counter the "democratic deficit" which critics argue marks the decision-making process in the European Union.

The Courts

The European Court of Justice has been called the Supreme Court of the European Union. Before 2004, it consists of 15 Justices, and has the task of ruling on Constitutional issues and ensuring the implementation of the Treaty of Rome in member states. Since its creation in 1952, the European Court of Justice has heard over 8000 cases. Given its heavy workload, the European Court of Justice is also aided by a Court of the First Instance.

Finally a Court of Auditors has the responsibility of keeping track of the expenditures of the budget of the European Union. The finances to run the organization are raised through the taxation of its members.

Growing Pains

Although the size of the European Union has grown since its inception and trade among its members has also grown significantly, the European Union has experienced some growing pains as it tried to achieve the goals of economic and political integration. A single integrated economic market was achieved ahead of schedule, but non-tariff trade barriers directed against its members continue to be a problem. Furthermore, some members of the European Union continue to suffer from double digit unemployment.

Nonetheless, the European Union has moved ahead with the promotion of further economic and monetary union. A European Central bank has been created. And, a common currency known as the Euro was introduced on January 1, 1999.

A Common Security and Defense Policy

With the collapse of communism, and the outbreak of wars in the former Yugoslavia and other parts of the former Soviet Union, the European Union has become increasingly focused on foreign policy and defense issues. In connection with this, the European Union has attempted to redefine its identity, in the new post-Cold war Europe.

European dependency on the United States to deal with conflicts in Bosnia and Kosovo has stimulated a reaction by the European Union to develop its own robust, military, Rapid Reaction Force. This force of about 60,000 would be delinked from NATO, weakening the transatlantic connection. The European Union has already folded the WEU (the Western European Union) which was originally created in 1948, into its structure as its military arm. However, the WEU, even though it participated in the application of sanctions against the former Yugoslavia, is generally considered to be a "paper tiger." Following 9/11, European Union military and police forces have engaged in peacekeeping operations in Africaas well as Macedonia.

Clearly, there also needs to be more cooperation among all of the European regional organizations-the OSCE (the Organization for Security and Cooperation in Europe), the Council of Europe, the WEU, and NATO, in order to develop a more effective conflict-prevention, conflict resolution, and post-conflict rebuilding system on the Continent.

With its expansion, and the growing weight of its population and economic wealth, the European Union has asserted itself as a more active factor in international affairs. It has promoted a policy of constructive engagement with China, Russia, and North Korea.
However, the end of the Cold war, and the removal of Russia as a threat to the security of Western Europe, has resulted in a lessening of the EU’s dependency on the United States. This portends an increase in friction between the European Union and the United States in the future.

**Enlargement to the East**

The collapse of communism meant that the top foreign policy priority of the ex-communist states of Eastern Europe was to rejoin a Western Europe from which they had been artificially separated for over half a century. This meant joining European institutions such as the EU, a goal that was realized by most of them in 2004.

Most important of all, the European Union sees its extension eastward as helping to consolidate the emerging democracies there, and thereby reducing the prospects for further conflict. As mentioned earlier, democratic peace theory argues that the spread of liberal democracies reduces conflict and expands the zone of peace.

Most prospective candidates for EU membership that were admitted in 2004, enjoyed some form of an associate relationship with the organization. The negotiation for accession to the EU for the 10 successful candidates was a lengthy and complex one. Candidates had to satisfy the requirements devised in Copenhagen in 1993 to be admitted to the EU. The two most important Copenhagen criteria were the development of democracy and the creation of a market economy.

A third criteria had since been added. Prospective candidates had to demonstrate that they had the capacity, administratively and legally, to adapt their laws to those of the European Union. This a formidable task. Prospective candidates must demonstrate that they can harmonize their national laws with the EU’s Acquis Communautaire, an impressive collection of rules and regulations which run to over 80,000 pages.

Consequently, the candidates for EU membership were divided into two groups; fast track candidates such as Poland, which have made considerable progress in the transition to a liberal democracy and a market economy, and were admitted in 2004. And secondly, the laggards like Romania, which have failed to make substantial progress in achieving economic reform and political stability, as well as the harmonization of their laws with the Acquis Communautaire, but who hope to be admitted by 2007.