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66. By now the details of the Hungarian electoral system and its consequences have been summarized in numerous articles. For example, see John R. Hibbing and Samuel C. Patterson, "A Democratic Legislature in the Making: The Historic Hungarian Elections of 1990," *Comparative Political Studies* 24, No. 4 (January 1992); Kukorelli, "The Birth, Testing, and Results of the 1989 Hungarian Electoral Law"; András Kőrösnéyi, "Hungary," *Electoral Studies* 9, No. 4 (December 1990); John T. Ishiyama, "Electoral System Experimentation in the New Eastern Europe: The Single Transferable Vote and the Additional Members System in Estonia and Hungary," *East European Quarterly* 29, No. 4 (Winter 1995).
67. The AFD was finally granted membership in the Liberal International in September 1993 after three years of confusion over whether the party should be considered liberal or social democratic.
68. Barnabas Racz, "The Left in Hungary and the 2002 Parliamentary Elections," *Europe Asia Studies*, Vol. 55, No. 5 (2003): 747-69.
69. Quoted in Agnes Batoty, "The Political Context of EU Accession in Hungary," The Royal Institute of European Affairs: European Programme Briefing Paper, November 2002.
70. Quoted in Financial Times Information, Hungarian News Agency, MTI (May 5, 2004), "Opposition Critical of Government's Healthcare Reform Plans."
71. Ferenc Gaszó and István Stumpf, "Parties and Voters After Two Elections," in *Hungarian Parliamentary Election 1994*, a report of the Institute for Political Science of the Hungarian Academy of Sciences, 1994.
72. Comparative Study of Electoral Systems, 2001-2006. Data available through the University of Michigan's International Consortium for Political and Social Research (ICPSR), 2004.
73. Racz, Barnabas, "Regional Voting Trends in Hungarian National Elections 1985-2002," *East European Quarterly* XXXVII, No. 4 (2004).
74. Bathyanvi Report, 2003.

Chapter 12

Politics in the European Union

ALBERTA SBRAGIA

European Union Bio

POPULATION: 453.7 Million

TERRITORY: 2,372 sq. mi

YEAR OF LEGAL CREATION: 1958

PRESIDENT: Rotates among member-states

LANGUAGES: German 19.8%, French 14.2%, English 13.7%, Italian 12.7%, Spanish 8.7%, Polish 8.5%, Other 22.4%

RELIGION: Roman Catholic 58%, Protestant 20%, Jewish 0.2%, Muslim 2%, Orthodox 3%, Other & unaffiliated 16.8%

The *European Union (EU)* represents a remarkable attempt by the nation-states of Europe to construct a framework of governance in which together they make collective decisions about a broad range of issues. As an organization, the EU is far more legally authoritative and institutionally sophisticated than any other international body. The 25 member nations have not, however, renounced the vigorous pursuit of their "national interest" in any policy area. Yet, by agreeing to pursue that interest within an organization as constraining as the European Union, the member-states have recognized the ultimate superiority of multilateral, as opposed to unilateral, decision making and action in a variety of policy arenas.

The term *European Union* is often used interchangeably with the term *European Community*. The original *European Economic Community (EEC)* established with the Treaty of Rome in 1958 gradually came to be known as the *European Community (EC)*. The Treaty of Maastricht changed the name of the EC to the *European Union*. In certain

legal contexts, however, the term European Community is still used. In this chapter, we determine usage by what seems most appropriate given the historical period being discussed.

Although the European Union resembles an international organization in certain ways, it is in fact very different. To begin with, it includes institutions that are not directly controlled by the member-states and that exercise real policymaking power. Although the EU has similarities to a traditional national political system, it is clearly distinct from the other political systems discussed in this book. For example, it does not have its own military or its own police force, and it does not belong to the United Nations. It is not a sovereign entity in the way that traditional nation-states are sovereign in international affairs. Furthermore, it is governed without a prime minister and a cabinet as found in traditional parliamentary democracies. Rather than being governed by an elected government, a group of institutions collectively makes EU policy. Although the EU produces binding laws, the fact that it does so without having a traditional "government" is perhaps the EU's most confusing feature.

National governments believe that by becoming members of the Union, they can achieve both peace and prosperity for themselves and for Europe. The Union is an experiment in "pooling sovereignty." National governments have over time agreed to restrict their own ability to make decisions unilaterally; they have agreed to make decisions in concert with other member governments and with institutions that are not under their control. In many policy areas, a national government, when outvoted by other governments, is legally required to comply with the decision it opposed. This process does not cover all policy areas, but it does cover many. Unilateral decision making by national governments has become less frequent as the EU's policy agenda has gradually expanded.

The consequences of belonging to the European Union are serious for member-states. In fact, some analysts have calculated that "today only 20 to 25 percent of the legal texts applicable in France are produced by the [French] parliament or the government in complete autonomy, that is, without any previous consultation in Brussels."¹ Membership in

the Union is not to be taken lightly, for it changes the policy processes and the policy outcomes of national political systems. Membership carries with it serious and binding economic and political commitments. Individual nations belonging to the Union can be increasingly thought of as member-states of a larger collectivity that shapes their policy options. However, membership does not change the culture of a country—the same language is spoken before and after accession, for example, and its "way of life" goes on after accession as it did before. A country makes a serious political and economic commitment when it joins the European Union but it does not commit to changing its culture.

WHY "EUROPE"?

Why have the individual nation-states of Europe—among the oldest in the world—decided to "pool their sovereignty"? Why have they accepted the sharing of power with institutions not directly controlled by the member-states? After all, political scientists tend to argue that the protection and maintenance of sovereignty is the top priority of governments throughout the world. Why did the process of European integration begin in the first place?

National leaders initiated the drive for European integration out of fear—fear that the history of European warfare would repeat itself unless they found a new way in which to live together. At its core, the Union is rooted in the desire to transcend European history, a history filled with "rivers of blood" to use Winston Churchill's famous phrase. European integration is an attempt to change the geopolitics of Europe. By entangling the domestic institutions of individual nation-states within the institutions of the European Union, integration has changed (hopefully forever) the relations between European states. Such a change in international relations, however, has "fed back" into national political systems. Domestic politics, institutions, and modes of governance have been changed by virtue of belonging to the Union.²

The integration effort was initially anchored in the belief that it represents the best answer to what is known as "the German Question." That is, integration (rather than confrontation) was the best way to keep Germany firmly in the company of

peaceful democratic nations and to keep it from playing a destructive role in European geopolitics. The attempt to ensure that Germany was a cooperative rather than a threatening neighbor led to a historic restructuring of relations among European states. This has also had a significant impact on domestic politics and policy.

Although the fear of potential German aggression was an initial motive for European integration, other important spurs to integration have more recently come into play. European business firms' fear of losing competitiveness relative to American and Japanese firms is one such spur. A growing acceptance that international problems such as environmental pollution, illegal immigration, and organized crime require transnational solutions is another. The less than stellar European role in dealing with the various Balkan crises, including Kosovo, has pushed governments to increase their coordination in the defense area.

The enlargement of the Union from 15 to 25 members in May 2004 led national leaders to agree on a constitutional treaty (commonly referred to as a "constitution for Europe") that will be either ratified or rejected by national parliaments or referenda in the next few years.

Government leaders have acknowledged, sometimes reluctantly, that together they can have a much greater impact on problems than through individual action. Essentially, they have had to decide whether they wanted to exercise "a share of more effective power or [have] exclusive control over a less sovereignty—that is exclusive control over policy-making—is associated with 'naïve sovereignty.'"³ The result is that Brussels, the city that symbolizes the European Union, has gradually come to supplement, constrain, lead, and at times supplant national capitals.

The international (European) relations and the domestic politics of the members of the European Union are increasingly intertwined. While the Union is not a traditional state and cannot be viewed as the "United States of Europe," it is an extremely important form of governance. A complete analysis of politics, policymaking, and economics in any member-state must consider the impact of the Union.

National governments have sometimes led this effort at integration. At other times, they have acquiesced in accepting it, or they have resisted it. Whatever their stance toward European integration, however, national governments play a key role in shaping and directing it. The institutions of the Community are not controlled by the member-states, including the European Court of Justice, also play a role in keeping the process of integration moving, especially when the member-states do not exercise leadership.

The European Union is now so important that much of what happens in national capitals cannot be understood without considering Brussels. However, neither can one understand what happens in Brussels without taking national capitals into account.⁴ Brussels is not nearly as divorced from national politics as is Washington from the politics of state capitals in the United States.⁵

The European Union's political system is entangled with the politics of its constituent member-states while simultaneously having its own separate institutional identity and political dynamics. That balance between entanglement and autonomy makes it both complex and fascinating. The "separateness" of the Union's political dynamics is rooted in the role of the various institutions involved in the policymaking process at the Union level, institutions that form a highly sophisticated and complex policymaking machinery. Most of those institutions do not strictly represent the interests of national governments. This means that national governments operating within the Union need to accommodate, respond to, and compromise with institutions representing the "supranational" interest.

HISTORICAL ORIGINS

Precisely because of the linkage between national systems and the European Union discussed earlier, the Union is considered to be *sui generis*. Although it is recognizable to students of federal systems such as the United States, Canada, and the Federal Republic of Germany, it is also recognizable to students of international organizations such as the United Nations. In fact, the Union as a political system stands somewhere between a federal system and an international organization. To understand

why—and why it is still moving along that continuum—it is important to understand its historical origins.

Those origins have shaped subsequent developments such as the historical underpinnings of the American Constitution have shaped American politics. Its historical origins help explain why the Union does not look more like a traditional state, why the electorate often plays an indirect role, and why the national governments play such an important role in a framework that does have strong supranational elements to it.

The European Union is the most important institutional manifestation of the process of European integration. It has succeeded in moving toward an integrated Europe, whereas other European institutions (such as the completely separate Council of Europe) have not. The desire for integration is rooted in European history, much of it the result of the numerous and bloody centuries-old conflicts between France and Germany (see Chapters 6 and 7).

Recent history makes it clear why so many in postwar Europe were afraid that the past would continue to haunt Europe's future. Between 1870 (the Franco-Prussian War) and 1945, France and Germany had fought three times, twice in conflicts so vast that they were known as "world" wars. Only 21 years separated the end of World War I (1918) from the beginning of World War II (1939). Both France and Germany had also been involved in the traumatic Spanish Civil War (1933–1936), which fore-shadowed the world war to come.

European integration is linked to the creation of institutions that have some autonomy apart from the member governments. While member governments continue to be pivotal, they are not the only important actors. Institutions that have some independence from the member governments are also important. The existence of such independent institutions—cohabiting with institutions that are more tightly controlled by member governments—is known as "supranationality." Intergovernmentalism, by contrast, refers to institutional arrangements in which only national governments matter in the making of policy. European integration therefore is symbolized by a supranational component existing alongside an intergovernmental one. The

symbiotic relationship between the two makes the politics of European integration so intriguing.

Supranational Integration: Schuman, Monnet, and the European Coal and Steel Community

The effort toward European integration—understood as having a supranational component—dates from May 9, 1950 and the *Schuman Plan* (see Figure 12.1). On that day, French Foreign Minister Robert Schuman proposed the creation of an international organization to coordinate activity in the coal and steel industries. Designed to ensure Franco-German reconciliation and representing "a first step in the federation of Europe," Schuman's proposal represented a reversal of French foreign policy toward Germany. France changed from a policy of unremitting hostility to one of reconciliation. Rather than viewing Russia/USSR as the key to constraining German power (the view historically taken by France), Schuman envisioned a Germany embedded in an integrated framework as the way to constrain German might. That view was a radical break with the past and helps explain why today's European Union represents such an extraordinary development. At its core, the Union has attempted to break the underlying dynamics of European geopolitical history.

Above all, the Schuman Plan was, in Schuman's own words, "a leap into the unknown."⁷ France declared its willingness to restrict its own sovereignty in the fields of coal and steel in order to ensure that German sovereignty would be equally limited. Reconciliation was tried as an alternative to the "balance of power" international game that had brought so much death and destruction to Europe. Schuman hoped that war would become "politically unthinkable and economically impossible."⁸

That "leap into the unknown" had been designed by Jean Monnet, then general commissary for the French Plan of Modernization and Equipment. Monnet developed the plan in an atmosphere of tremendous secrecy. Monnet was to play a critical role in the process of European integration throughout the following decade and beyond, so much so that he is sometimes referred to as "Mr. Europe." Monnet underscored the strategic impor-

FIGURE 12.1 The Timetable for European Integration

May 1950	Schuman Plan
1952	Treaty of Paris (European Coal and Steel Community) (ECSC)
1954	European Defense Community defeated
1958	Treaty of Rome—European Economic Community (EEC)
1966	Luxembourg Compromise (Legitimated use of national veto)
1973	Britain, Denmark, and Ireland join the EC
1979	Direct election of European Parliament
1981	Greece joins the EC
1986	Spain and Portugal join the EC
1987	Single European Act (SEA)
1993	Maastricht Treaty
1995	Austria, Sweden, and Finland join the EU
1999	Introduction of euro as a "virtual" currency; Treaty of Amsterdam
2002	The euro is introduced into daily use
2003	Treaty of Nice
2004	The EU enlarges to 10 new countries: Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, Slovenia
2004	Member-states agree on the European constitution

tance of having a "supranational" component in any initiative designed to achieve integration. In his view, supranationality was necessary to prevent the old interstate balance of power dynamics from becoming preeminent. His role in articulating the importance of supranationality in European integration was so important that many consider Monnet to be "the most important single architect of the European Community."⁹

The Franco-German relationship lay at the core of the Schuman Plan, and that relationship remains the central one within the process of European integration. France is Germany's key interlocutor in Europe, and Germany is France's key referent. When they agree on the need for further integration, France and Germany provide the political energy, the driving force, and the momentum for achieving further integration.

In addition to reversing French foreign policy toward Germany, the Schuman Plan invited democratic nations in Europe to join in forming an organization that would implement the vision outlined in the plan. Germany, Italy, Belgium, Luxembourg, and the Netherlands (the latter three known as the Benelux countries) responded. Negotiations began a month later, and these nations signed the Treaty of Paris, which established the European Coal and Steel Community (ECSC), on April 18, 1951. Although the ECSC was overshadowed by future developments in integration, it represented the first key step in overcoming the ancient divisions of continental Europe.

Negotiating Europe

The European Coal and Steel Community focused on economics as the most appropriate arena for integration. In particular, interstate trade and the prosperity that was thought to flow from such trade was to be fostered by integration. In turn, integration would be fostered by the results of such trade. This view has shaped the evolution of European integration and its substantive policy core: economics, economic policy, and trade in the pursuit of economic prosperity.

Underlying this concern with prosperity was the notion that prosperity facilitates peace. Because

the interwar years (1918–1939) had seen economic tumult throughout much of Europe and the simultaneous rise of fascism and Nazism, economic prosperity was considered necessary for both democracy and peace.

The negotiations over the Schuman Plan did not involve only economic issues, however. Both domestic and foreign policy were major considerations. Foreign affairs—closely intertwined with domestic politics—emerged as a critical concern for all heads of state after World War II.

Why Join Europe?

It is useful to consider why these other countries accepted Schuman's invitation to discuss integration. We find an often entangled combination of political/economic and geopolitical reasons—the Siamese twins of Europe. Economics played an important role in the first attempt at integration and has remained as a critical factor. It might be argued that integration proceeds fastest when the political/economic and geopolitical reasons reinforce one another.

European integration was not inevitable. It represented a political choice. If different leaders had been in power, it might well not have occurred. While integration addressed the needs of the political leaders who accepted Schuman's invitation, these leaders were also predisposed to the idea. All of the leaders who decided to accept Schuman's invitation were from the Christian Democratic Party. (Schuman was a Christian Democrat as well.) Their party affiliation gave them a common bond and a set of ideological referents and beliefs that provided a basis for similar views of the world. Their ideology was a cognitive lens through which leaders and followers could define problems and choose solutions. The leaders who agreed had a great deal in common.

Schuman's own life experience encouraged him to shape "French foreign policy to his vision of a Europe in which France and Germany were reconciled and the suffering of the border provinces ended."¹⁰ (See Box 12.1.) For Konrad Adenauer, who became German Chancellor in 1949, the proposed community represented a way for Germany to become an accepted and respectable member of

Box 12.1 Robert Schuman: A True "European" (1886–1963)

Born in Luxembourg and raised in German-speaking part of Lorraine
 Attended German universities
 Drafted into German Army in World War I
 Became French citizen in 1919 when Alsace-Lorraine was restored to France under Treaty of Versailles
 Refused to serve under Vichy Regime
 Imprisoned by Gestapo for condemning expulsions of French population of Lorraine

Escaped in 1942 and became active in French Resistance
 Helped to found Christian Democratic Party (MRP) in 1944
 November 1947–December 1952—Served as either premier or foreign minister of France
 November 1950—Proposed the Schuman Plan, the catalyst for European integration
 1958–1963—Served as a member of the European Assembly, the forerunner of the European Parliament

both Europe and the international system. Personally, he anxiously sought closer ties with France. He was also confident that the German coal and steel producers were in a strong enough position that their interests would be safeguarded. In both strategic and personal terms, therefore, Schuman's proposal was attractive. By contrast, Kurt Schumacher, the leader of the German Social Democratic Party, opposed integration with France. Although other key members of the Social Democrats supported European integration and the European Coal and Steel Community, he strongly opposed both. He saw the ECSC as both too capitalist and too dominated by the Christian Democratic Party.¹¹ The fact that Adenauer rather than Schumacher was chancellor when Schuman made his proposal was undoubtedly significant in shaping the history of European integration.

For the Benelux countries, dependent on trade with their neighbors, Schuman's proposal represented an attractive way of solving the German Question. The Dutch Foreign Ministry saw the Schuman Plan as creating "the capability for Europe to profit by Germany's strength without being threatened by it."¹² Once Belgium was able to obtain special treatment of its coal mines, the Benelux countries were on board.

The Italian Christian Democratic premier Alcide de Gasperi made a different calculus.¹³ He viewed integration as a way both to escape Italy's fascist past and to keep the strong Soviet-linked Ital-

ian Communist Party from coming to power. (The Communist Party opposed the Schuman Plan, viewing it as increasing American domination in Europe.) Eventually, European integration also represented a way to modernize the country, partially by ensuring export markets and partially by ensuring that millions of Italians could emigrate and work in the rest of Europe.

Although in 2004 most of Europe was in the European Union, in 1950 the governments of only six countries saw European integration as being in their interest.

Why Stay Out of Europe?

The countries that did not join in 1951 made their decisions on a variety of grounds. Spain and Portugal were under dictatorships and thus did not qualify for membership, while Greece was experiencing a civil war. The Scandinavians were uninterested in "supranational" schemes: the Nordic Union was based on intergovernmental cooperation rather than integration through supranationality. The Eastern European countries were in the Soviet sphere of influence and were simply unable even to consider answering Schuman's invitation. All of these countries were to join the drive toward European integration much later. The United Kingdom, the most important country to absent itself from the ECSC, did not join for a variety of reasons. Perhaps the most important, Britain saw itself as a world power, the

ader of an empire, rather than as a state that needed to be concerned with its "European" role. The British rejection of the French government's invitation to participate in the ECSC negotiations was to be a defining moment for the future relationship of Britain with an integrated Europe.¹⁴

The Cold War, the United States, and European Integration

American influence on European integration in the 1950s was expressed in a number of ways. The United States, the "maker" of the international system, decisively shaped global institutions so as to break down trade barriers, protectionism, and imperial preferences and thereby create a liberal international economic system.¹⁵

The United States also influenced Europe more directly. The postwar period, especially between 1947 and 1950, was a crucial one for institutionally linking the United States to Europe. On June 5, 1947, the United States announced the outlines for the *Marshall Plan* (1948–1951). By insisting that Europe coordinate requests for Marshall Plan aid rather than allow each recipient country to deal bilaterally with the United States, the plan helped set the stage for European integration, "not least in the fostering of new modes of thinking."¹⁶ Later, the United States provided strong support for both the Schuman Plan and the European Economic Community.¹⁷

While the Marshall Plan linked the United States and Europe economically, the Americans also became involved militarily. In April 1949, the Atlantic Pact was signed and the *North Atlantic Treaty Organization* (NATO) was born. Through NATO, the United States and Canada committed themselves militarily to European defense.

Six weeks after Schuman made his historic announcement on May 9, 1950, war broke out when North Korea invaded South Korea. The Korean War was a pivotal event in the American relationship to Europe and thereby for the future of European integration. The American government feared that the Soviet Union would invade Western Europe via Germany. The United States therefore backed German rearmament, announced (in

September 1950) that American troops would be incorporated into the NATO defense force, and that German divisions would be put under NATO command.

The European Defense Community (EDC) emerged as a counterproposal, which called for a European army incorporating all German forces. However, the French parliament definitively rejected the proposal on August 30, 1954. Although the EDC was dead, German rearmament was still on the agenda. In May 1955 Germany was recognized as a sovereign state and accepted as a member of NATO. The dream of a European army was stillborn. In a similar vein, the possibility of an independent European role in international politics was remote. "The European state system was, for the first time since the seventeenth century, firmly embedded in an international order dominated by others."¹⁸

The incorporation of both American troops and Germany in NATO within the context of the Cold War set the framework within which security and defense issues would be considered even after the end of the Cold War. Those issues were essentially taken off the agenda of European integration.¹⁹ The Bretton Woods system had taken international monetary policy off the agenda. The path of integration was profoundly shaped by the fact that European integration took place within the "NATO-Bretton Woods system" in which the United States exercised hegemony in the West.²⁰

It was not until the 1980s (in response to the breakdown of the Bretton Woods system) that the Community seriously addressed the issue of international finance (in the form of exchange rates) from an integrationist perspective. And the issue of security and defense policy remained within a transatlantic arena of discussion.²¹

It was not until 1999 that Europe began seriously discussing the creation of a separate European military force to be used for crisis management and even that would be linked to NATO. The process of European integration, therefore, has until very recently incorporated only selected issues rather than concerning itself with all those issues traditionally considered "high politics." The exclusion of such issues ensured that European integration would not

lead to the establishment of a European state in the traditional sense.

The European Economic Community

In May 1955, the Assembly of the Six asked the foreign ministers of the Six to draft new treaties to further European integration. The *Treaty of Rome* established the *European Economic Community* (EEC) and came into force on January 1, 1958. One of the French negotiators, Robert Marjolin, articulated the hopes and symbolism attached to the signing of the Treaty of Rome:

I do not believe it is an exaggeration to say that this date [March 25, 1957] represents one of the greatest moments of Europe's history. Who would have thought during the 1930s, and even during the ten years that followed the war, that European states which had been tearing one another apart for so many centuries and some of which, like France and Italy, still had very closed economies, would form a common market intended eventually to become an economic area that could be linked to one great dynamic market?²²

The Treaty of Rome included a much wider range of economic arenas and modified the institutional structure of the ECSC in important ways. Unlike the superseded ECSC, the European Economic Community has remained at the core of the integration process. The close working relationship that gradually developed among the six countries operating within the ECSC transferred over into the EEC. The Treaty of Rome called for the creation of a common market—the free movement of people, goods, services, and labor—among the six signatories. It called for a common agricultural policy (the latter provision had been included in order to convince the French parliament to ratify the treaty). It also called for measures to move the EEC beyond a mere common market. It embodied both economic and political objectives: "Whilst the Treaty of Rome is virtually exclusively concerned with economic co-operation, there was (and remains) an underlying

political agenda. There is no doubt that its architects saw it . . . as another step on the road to political union."²³

The Expansion of Europe

Two models of "Europe" developed during the 1960s. The EEC, with its supranational dimension, symbolized the first. The *European Free Trade Association* (EFTA) symbolized the second. EFTA was established in 1960 with Britain playing a leading role in its birth and Norway, Sweden, Denmark, Switzerland, Austria, and Portugal joining the British-led initiative. It was entirely intergovernmental, lacked any supranational element, and was concerned only with free trade. Whereas EFTA did not compromise sovereignty, the EEC created an entanglement and a fusion between national and community powers.²⁴

Over time, the supranational model eclipsed the intergovernmental. Only Iceland, Norway, and Switzerland remain in EFTA. The decline of EFTA was presaged by the UK's decision to apply for membership in the EEC. After two vetoes by President De Gaulle of France, the British, along with Ireland and Denmark (for whom the UK was a key trading partner), finally joined in 1973 when Georges Pompidou replaced De Gaulle as President of France. Norway had also applied and been accepted, but its electorate rejected membership in a referendum in 1972.

In 1981 Greece joined and in 1986 Spain and Portugal did the same. The accession of all three was viewed as consolidating their transition to democracy and as widening European integration to the Mediterranean. In 1995, Austria, Sweden, and Finland joined; Norway's electorate again refused accession in a referendum. On May 1, 2004, ten new countries joined the Union, in what is referred to as the "big bang enlargement": Czech Republic, Cyprus, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, and Slovenia. Bulgaria and Romania have been promised accession for 2007, and it is likely that Croatia will join in 2007 as well. In addition, the EU has made it clear that the map of the EU would not be completed without all the Balkan countries. More controversially, Turkey was

Box 12.2 Candidate Countries for Membership in the European Union as of 2004

Countries seeking to enter the EU must first be officially accepted as candidate countries by the current 25 member-states. The second stage in the process of accession involves entering into complex negotiations during which the candidate countries must demonstrate that they satisfy criteria laid down by the EU. Once negotiations are completed both the European Parliament and all 25 national parliaments must approve the accession of the candidate countries.

Bulgaria and Romania—Negotiations began 2000—set to join in 2007.
 Croatia—Negotiations will start in early 2005.
 Turkey—It was recognized as a candidate country at the Helsinki Summit in December 1999—member-states decided in December 2004 that negotiations will start in October 2005

also recognized as a candidate country at the Helsinki Summit of December 1999, but accession negotiations have not yet begun (see Box 12.2). Of the four poorest countries included in the enlargements before 2004, Ireland, Spain, and Portugal are typically viewed as “success” stories. Greece, in contrast, has been far more problematic for the Union. Its internal politics have been such that the fit between Brussels and Athens has been far from an easy one.²⁵

Most of the countries included in the 2004 enlargement are much less prosperous than are the 15 “old” member-states. Many believe that with EU membership, the kind of assistance which the EU has provided Italy, Spain, Ireland, Portugal, and Greece will help the new entrants progress economically. Many in the “old” EU hope that the “newcomers” will do as well as Portugal, Spain, and Ireland, all of whom have become prosperous and active supporters of European integration.

Beyond the Treaty of Rome

The dismantling of tariffs within the Community did indeed increase trade among the six signatories of the Treaty of Rome. However, the increased volatility of financial markets, rooted in the breakdown of the Bretton Woods economic system, threatened the expansion of trade. In 1979 the Six supported a Franco-German initiative designed to minimize the fluctuations in exchange rates. They

sensus. Delors' own father was left for dead by German troops in World War I, but he played a key role in the movement toward European integration. Appointed in 1985, Delors seized on the idea for an internal market (the new name given to the “common market” with the connotation of removing nontariff barriers). The internal market project revitalized the Community, ensured Delors' place in the history of European integration, and gave the Community a much higher profile than it had previously had.

The process led to the Single European Act, a major amendment to the Treaty of Rome. For Delors, the single-market project was a way to use economics to pursue a political agenda. As he explained in a radio interview in 1993, “If this job was about making a single market I wouldn't have come here in 1985. We're not here just to make a single market—that doesn't interest me—but to make a political union.”²⁶

The Single European Act

The decision to amend the Treaty of Rome was made in 1985, and the *Single European Act (SEA)* came into force in 1987. The SEA changed the decision rules for legislation designed to create the internal market in that qualified majority voting rather than unanimity was to apply to such legislation. (A qualified majority requires more votes for approval than does a simple majority.) A national government could not veto legislation introduced for the explicit purpose of creating the market (the veto had been legitimated in January 1966 in the Luxembourg Compromise). Furthermore, the SEA increased the powers of the European Parliament and increased the Community's powers in the area of environmental protection.

The drive for the single market came to be known as the “1992” Project—1992 was the deadline for the adoption of Community legislation needed to remove nontariff barriers. The adoption of a single market represented a milestone in the history of European integration. It was analogous in importance to the “interstate commerce clause” in the American constitution. Just as that clause undergirded the growth of federal power in nineteenth-century America, the single market represented a

major step in the integration of Europe and the power of the Community institutions.

A single market minimizes nontariff barriers. Such barriers accumulate over time and are often closely tied to cultural traditions, which means that overriding them can be politically sensitive. For that very reason, the single market has been so important. By examining barriers from the perspective of whether they inhibit the possibilities open to an exporter to a certain country, the single market opens to scrutiny many institutional arrangements in both the public and private sectors which have been accepted over time. Germany could not exclude beer made in an “un-German” way, Italy could not exclude pasta made with “foreign” wheat, and so forth.

The 1992 Project was above all a project of regulatory reform—national deregulation combined with re-regulation at the Community level. Market forces were strengthened in order to improve the ability of European firms to compete globally. Regulation was implemented in Brussels rather than the national level. The European Community began setting up regulatory agencies—such as the European Agency for the Evaluation of Medicinal Products to regulate pharmaceuticals—that have complemented national regulatory frameworks. Although national economic systems were deregulated, re-regulation occurred in Brussels. Furthermore, environmental regulation was increasingly concentrated at the Community level. Finally, the Commission began exercising its powers in the area of competition policy (which covers antitrust and state aids) much more aggressively.²⁷ Protected markets, such as those in the telecommunications and air transport sectors, were gradually liberalized (so that phone calls and intra-European air travel became far cheaper than they had been). The protectionist policies which economic integration was meant to overturn were gradually eroded or eliminated. By the late 1990s, the Community's regulatory reach was so important that some analysts considered it a “regulatory state.”²⁸

The Maastricht Treaty

The single market of the late 1980s was largely viewed as a success. Business investment climbed,

and Europe enjoyed a new sense of economic optimism. Under these circumstances, an initiative to move to a European central bank and a common currency as an extension of the single market began to attract support. Central bank governors, under the chairmanship of Jacques Delors, began to lay out a framework for achieving a common currency.

While that effort was underway, the Berlin Wall fell in November 1989. German unification, once barely considered, now became a reality (see Chapter 7). A new Germany was on the scene. Would it continue to face westward—to Brussels—or would it face toward the East? What role would the new Germany play in a Europe fundamentally changed by the end of the Cold War? How could Europe "contain" this economic powerhouse that had just added more than 16 million inhabitants? These questions were especially pressing, as the problems—and especially the huge costs—associated with German unification were still unacknowledged by most observers.

One response to a new version of the old "German Question" was to move toward a new treaty that would bind Germany even more firmly to the West by further tying German institutions to those of the Community. The purpose was to ensure that a "European Germany" would not be supplanted by a "German Europe." Helmut Kohl, the chancellor of Germany, for whom memories of World War II were still keen, strongly supported embedding Germany in a more deeply integrated European Community. The result was the *Treaty of European Union (TEU)*, usually referred to as the *Maastricht Treaty* after the small Dutch town in which the final negotiations took place in December 1991.

The Maastricht Treaty came into effect in November 1993. It represented another milestone in the history of European integration, moving the process of European integration into two critical new arenas as well as entrenching the Community's jurisdiction over the pivotal area of monetary policy. The treaty is complex. It changed the name of the European Community to that of the European Union (EU). Most importantly, it changed the structure of the Community by establishing three "pillars" in which the Community institutions played different roles. That same structure was retained in

the subsequent Treaty of Amsterdam and the Treaty of Nice which that came into effect in 1999 and in 2003 respectively.

In the Maastricht, Amsterdam, and Nice treaties, the European Council and the Council of Ministers were important in all three pillars, whereas the other Community institutions were central only in pillar one. The more federally inclined members of the Union saw the pillar structure as a transition phase, one that would ultimately lead to all three areas of policy being brought under the Community's institutions. The more intergovernmentalist members viewed the pillar structure as a safeguard against precisely that kind of evolutionary development.

Pillar One: The Extension of the Treaty of Rome

Pillar one as defined by Maastricht encompassed the creation of the *Economic and Monetary Union (EMU)*—including a new European Central Bank and a common currency (the euro) as well as incorporation of all the policy areas previously falling under the Community's jurisdiction. The *acquis communautaire*—all the accumulated laws and judicial decisions adopted since the signing of Treaty of Rome—belonged to the first pillar. For example, the single market, agriculture, environmental policy, regional policy, research and technological development, consumer protection, trade policy, fisheries policy, competition policy, and transportation policy all fell under pillar one.

Decision-making procedures within pillar one were firmly rooted within the traditional European Community institutions while expanding the Parliament's decision-making power. Policy areas that were designated as falling under the jurisdiction of pillar one were dealt with within the institutional machinery of the Commission, the Parliament, the Council of Ministers, the presidency, the European Court of Justice, the European Council, and the new European Central Bank. Under Maastricht, however, the UK and Denmark were allowed to "opt out" of the common currency as well as several other provisions if they so wished. In September 2000, the Danish public voted against joining

the euro and in 2003 Swedish voters also rejected the euro in a referendum. In general, pillar one under Maastricht includes everything that the "old" European Community included plus the new European Central Bank and the euro for those countries that joined the Eurozone.

Pillars Two and Three: An Intergovernmental Compromise

Pillars two and three expanded the scope of what became renamed the European Union by encompassing policy areas that had been outside the scope of European integration. The institutional structures that governed pillars two and three differed from those found in pillar one. Pillar two referred to the area of the *Common Foreign and Security Policy (CFSP)* and pillar three referred to what is known as *Justice and Home Affairs (JHA)* (internal security). In both pillars, the Council of Ministers rather than the Commission was primarily responsible for action, unanimous voting was required, the Parliament was largely excluded, and the European Court of Justice did not exercise jurisdiction.

The fact that the Council of Ministers rather than the European Commission was established as the key institution represented a compromise. On one side were those countries that favored a more "federal" model of integration and therefore supported giving the Commission its traditional powers in these areas. On the other side were those governments (Britain and France) that were worried about sovereignty. Pillars two and three therefore were brought within the process of integration but were governed by the European Council and the Council of Ministers, the most intergovernmental institutions within the Community's institutional framework.

Treaty of Amsterdam

The *Treaty of Amsterdam* came into effect in 1999 and significantly changed the policy and institutional landscape established by the Maastricht Treaty. First of all, most issues of pillar three under Maastricht were now placed within pillar one, significantly strengthening the policy reach of the Commission and the influence of the European Court of

Justice. Along with that expansion, the treaty enhanced the power of the Commission president vis à vis the other commissioners. Second, the treaty increased the power of the European Parliament by both simplifying and expanding the use of co-decision in a wide range of issue areas. Third, the powers of the EU in several policy areas, including public health (critical to the European welfare state) and CFSP, both of which are very sensitive for national sovereignty, were enhanced. Public health is firmly under the Union's institutions in pillar one, while CFSP is firmly in the intergovernmental pillar two.

The transfer of most policy areas within the "old" pillar three to pillar one represented a very significant step in the process of European integration. Internal security is traditionally viewed as absolutely central to national sovereignty. In the post-Amsterdam period, issues such as asylum, immigration, and judicial cooperation in civil matters came within the policy remit of the Commission and, with some restrictions, the jurisdiction of the European Court of Justice. In Maastricht, the member-states had given up their sovereignty in the area of monetary policy by accepting the euro, but they had been very reluctant to "Europeanize" internal security. The Treaty of Amsterdam represented their new willingness to "pool" their sovereignty in the area of Justice and Home Affairs. (In the United States, the Department of Justice is concerned with most of the same issue areas.) The intergovernmental pillar three of the Maastricht Treaty was widely viewed as having been a failure so that the Treaty of Amsterdam signaled the new willingness of the member-states to try to make it more effective by bringing it under the Commission's umbrella.

In a similar vein, in October 1999 the member-states met at a special summit in Tampere, Finland, and agreed to numerous initiatives that mark a major turning point in the member-states' willingness to accept further integration in this extremely sensitive area (see Box 12.3). Only two policy areas remain within the "new" pillar three after Amsterdam—police cooperation (including the European Police Office known as EUROPOL which under Amsterdam was given stronger powers and a more operational role) and judicial cooperation in criminal matters. Even here, the member-states were

Box 12.3 Justice and Home Affairs (JHA) Pillars 1 and 3

The Treaty of Amsterdam, the 1999 European Council Summit in Tampere, Finland, and responses to terrorist attacks in the United States and Spain resulted in much deeper integration in the sensitive area of internal security. The EU increased the level of intergovernmental cooperation and the powers of the Commission and the European Court of Justice were broadened so that Justice and Home Affairs is now viewed as a key component of an integrating Europe. Included among the important new initiatives in this area were:

- EUROPOL given significant new powers to initiate criminal investigations
- Police and immigration officials given cross-national legal powers in all EU member-states
- Network of Union public prosecutors (Eurojust)
- European Police College to train law enforcement officials
- European Arrest Warrant (EAW) created to make process of arrest and extradition of fugitives within the EU more efficient

Antiterrorism czar appointed to coordinate counterterrorism efforts among the member states

Joint investigative teams to combat terrorism and drug trafficking

Task force of senior police officers

Development of

- Common EU asylum and immigration policy
- Harmonized approach to dealing with refugees (including a European refugee fund)
- Standardized methods of combating illegal immigration
- Tougher laws against money-laundering
- Policies to ensure that court judgments issued in one country are enforceable throughout the Union

willing to be less intergovernmental. The European Court of Justice was completely excluded in the old pillar three, but it was given a limited role in the post-Amsterdam pillar three. Furthermore, the Commission as well as the member-states have the right of initiative in all matters falling under pillar three. This is an expansion of the role of the Commission. Some convergence of criminal legislation is now possible, so that Amsterdam is viewed by some as contributing "towards creating a common European criminal law."²⁹

Finally, the EU's reaction to the September 11, 2001 terrorist attack on the United States and the March 11, 2004 terrorist attack on a Madrid train station further strengthened the EU's role in the area of Justice and Home Affairs. The member-states accepted the creation of a "European arrest warrant" and the appointment of an EU antiterrorism "czar." However, the EU has not created a European version of the Central Intelligence Agency (CIA). Intelligence gathering remains a strictly national function; however, with much greater cooperation and coordination among national intelligence agencies than had been the case before 2001.

With regard to pillar two of the Maastricht Treaty, Amsterdam enhanced the powers of the Union in the area of a common foreign and security policy. Institutionally, the Secretary-General of the Council of Ministers was also appointed as the High Representative for the EU Common Foreign and Security Policy ("Mr. CFSP"). Javier Solana, widely respected in his previous posts as NATO Secretary-General and Spanish Foreign Affairs Minister was appointed to that position when the Treaty of Amsterdam came into effect in 1999.

The Treaty of Nice

The *Treaty of Nice*, the fourth revision of the Rome Treaties entered into force on February 1, 2003. The treaty attempted to prepare the EU for its enlargement to Central and Eastern Europe. In particular, the treaty sought to streamline decision making in the EU's institutions. Making decisions with 25 countries would be much more difficult than with 15 countries. Streamlining decision making, however, necessarily changes the distribution of power within the institutions concerned. In particular, the

small states, which had historically been overrepresented in the EU's institutions, fought to keep their privileged position. The large member-states argued that since enlargement would add so many small states to the Union, maintaining the privileges of small states would lead to an unbalanced Union in which the populous member-states would be deprived of their appropriate role. The final deal was reached in the early morning of the last day of the Nice European Council in December 2000.

In addition to finding a compromise between the demands of the small and large member-states (in which the small states did relatively well), the Treaty of Nice also introduced some important changes. Institutionally, it allowed each member-state to appoint only one commissioner (previously, the larger member-states had appointed two commissioners). Second, the Treaty of Nice introduced qualified majority voting to choose the president of the Commission and increased his power vis à vis other commissioners. Third, a new weighting of votes was accepted in the Council of Ministers (that weighting represented the concrete results of the compromise between the large and small states). Fourth, qualified majority voting (as opposed to unanimity) was extended to roughly 30 new policy areas. It strengthened the EU's role in the area of security and defense, and created a new *Political and Security Committee (PSC)*.

The Nice Treaty was rejected by Irish voters in a referendum held in 2001, but it was subsequently accepted in a referendum in 2002. Many interpreted the initial defeat as an indication that European publics were uneasy about the changes to the Union that the enlargement to the East would inevitably bring.

THE INSTITUTIONS

The institutional structure of the European Union is based on the complex divisions represented by different institutions in different policy areas (see Figure 12.2). The sophisticated policymaking process normally associated with the Community resides in pillar one—including key policymaking institutions such as the European Commission, the Council of Ministers, the European Parliament, the

European Council, European Court of Justice, and the European Central Bank.

Whereas the other institutions all interact with one another, the European Central Bank (located in Frankfurt, Germany) is very independent from all the other institutions. However, Justice and Home Affairs within pillar one still excludes the Parliament. The Commission and the Council are the central policymaking actors in areas such as immigration, visa policy, and asylum policy. In pillars two and three, the European Council and the Council of Ministers are the key institutional actors.

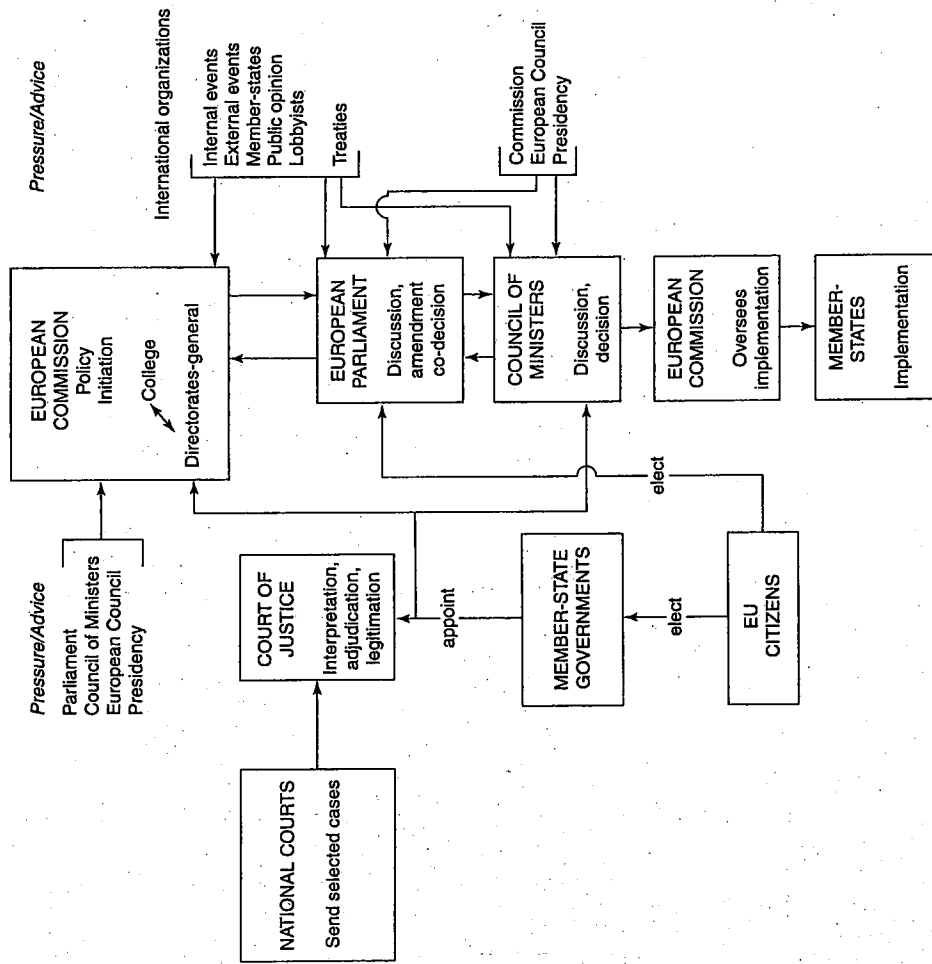
The European Commission

The *European Commission*, located in Brussels, is the Community's most visible institution in day-to-day policymaking. Its institutional mission within the Community is to promote integration. Toward that end, the Commission is made up of the College of Commissioners, the decision-making body within the Commission, and civil servants that do the important technocratic work typical of all bureaucracies. The College of Commissioners is the political (although not in a partisan sense) component of the Commission while the civil servants are the administrative sector. The term "Commission" is used in the press to refer either to the civil servants, the College, or both.

The Commission is composed of 25 commissioners who collectively make up the College of Commissioners. Each commissioner is appointed by the head of a member-state, but once appointed the commissioner is able to act independently of his country's national government. A commissioner does not take instructions from the national government and can operate quite autonomously. That independence gives the Commission as a whole its "supranational" authority and power.

Each commissioner serves for a five-year term, and can be reappointed if the national government so wishes. Each has one vote. And each is in charge of certain policy areas (environment, trade, external relations, agriculture, research and technology, transport, or telecommunications, for example). When they meet collectively every Wednesday, they are known as the College of Commissioners.

FIGURE 12.2 The Structure of the European Union



Source: Taken from John McCormick, *European Union: Politics and Policies* (Boulder, CO: Westview Press, 1996), p. 207.

The president of the Commission is the most important commissioner; the Treaty of Amsterdam and the Treaty of Nice enhanced his influence within the Commission. In the post-Nice era, the European Council nominally chose the president by qualified majority voting. However, the current

Commission president, the Portuguese Jose Manuel Barroso, was selected by the European Council in June 2004 by consensus. The reliance on consensus rather than qualified majority voting acknowledged the political reality that a Commission president would be ineffective if one of the large member-

states opposed his appointment. (In fact, Barroso was selected after other proposed candidates were in effect vetoed by one or more of the large member-states.) The European Council's nomination then must be approved by the European Parliament. Typically a president from a large country is succeeded by a president from a small country. (Barroso is from Portugal, a small country, while his predecessor Romano Prodi was from Italy, a large country.) Strong Commission presidents leave an imprint: Walter Hallstein, the first president, and Jacques Delors (1985–1995) both led the Commission in ways that increased its profile and prestige. Commission presidents, however, are constrained by the fact that they do not appoint their fellow commissioners and have relatively little formal control over them. Even Jacques Delors at the height of his power and prestige was unable to convince some governments to reappoint commissioners he would have liked to have returned to the Commission.

The Treaty of Nice, however, did strengthen the president's hand to some extent. For example, the president may now request a member of the Commission to resign after obtaining the approval of the College. Jose Barroso, the first Commission president in the post-Nice era, took advantage of his newly strengthened position to allocate desirable portfolios to small countries. The fact that France, traditionally a very influential country in the EU, was given responsibility for transport rather than a more prestigious assignment was taken as a sign that President Barroso would not be shy about using the new powers of the Commission president.

Nonetheless, the role of the president of the Commission is not similar to that of a prime minister. The president is not accountable to Parliament in the way that a national prime minister is and does not become president of the Commission through an election. He is appointed by the national governments rather than being elected, as are prime ministers. In a similar vein, the Commission is not a "government" in that it is not selected by either the voters (as is the president of France) or the legislature (as are prime ministers).

The Commission has a number of important powers, but its most pivotal power is contained in pillar one: it is the only institution that can propose

legislation in pillar one. Neither the Council of Ministers nor the European Parliament can initiate legislation. The monopoly exercised by the Commission over policy initiation is one of its most important formal powers. Although the initiation power is limited by the Parliament's power to ask for a legislative proposal, the fact that it must be the Commission which drafts the proposal gives the Commission important leverage in the legislative process. This power thus enables the Commission to shape the policy agenda. The Commission also manages the Community's budget, is involved in external relations, monitors the application of Community law in the member-states, and generally is expected to make the arguments and proposals necessary to promote further integration.

The College of Commissioners decides by majority vote which proposals for legislation to send to the Council of Ministers and the European Parliament. The College can also decide to take an intransigent action (without the approval of the Council of Ministers) and can argue cases before the European Court of Justice.

The Commission's bureaucracy, although very small in comparison to national bureaucracies, is the most important administrative component of the entire Community and is key to the Commission's ability to promote the process of integration. Sometimes known as Eurocrats, officials who work for the Commission are multilingual and highly educated. They typically receive their position after passing a competitive examination. They do the initial drafting of the legislation (which is then approved by the College) and are present at the negotiations within the Council of Ministers on all proposals from the College of Commissioners. Commission officials are emphatically not the functional equivalents of international civil servants, such as officials who work for global international organizations such as the United Nations. Commission officials are viewed as having much more authority when dealing with national officials than are traditional international civil servants.³⁰

The operations of its civil servants allow the Commission to play a complex role. Commission officials often operate very effectively behind the scenes. They consult with a wide variety of interest

roups and often receive complaints about non-compliance with Community laws from citizens in member-states.

Fundamentally, the Commission promotes European integration and provides the administrative resources absolutely essential for policymaking in a system as complex as the European Union. Without the Commission, the European Union would not have an administrative apparatus.

Because of its centrality in the definition of problems and the formulation of policy, its access to significant administrative resources, and its links to a variety of groups throughout the Community, the Commission plays a key role in policymaking. It is at the heart of the European Union.³¹ The fact that the European Union has a policymaking body not directly controlled by the member-states and able to wield important influence clearly distinguishes the organization as different from all other international bodies. The Commission as an institution symbolizes that supranational dimension within European integration that was so vigorously promoted by Jean Monnet.

The Council of the European Union

The Council of the European Union is usually referred to as the *Council of Ministers*. It adopts Community legislation and develops the budget along with the Commission and the Parliament. It is the top decision-making body. Its decisions, often taken in conjunction with the European Parliament in pillar one, become Community law. Its members are ministers from national governments. If a national government loses an election, the ministers from the new government immediately participate in the Council's decision-making process.

The Council of Ministers, as the Union's main legislature, is a more powerful decision maker than either the Commission or the Parliament. It, rather than the Parliament, formulates the EU's trade policy and is the dominant actor in the area of Justice and Home Affairs. Above all, it adopts Community legislation that is then incorporated into national legal codes. It does not, however, participate in the formulation of the Commission and cannot dismiss it.

Technically speaking, there are nine Councils of Ministers and the term "Council of Ministers" is applied to each sectoral council (see Box 12.4). Each Council is composed of the relevant ministers from each of the member-state governments (or someone delegated to represent them).

Hierarchically, the most important configuration is the General Affairs and External Relations Council (GAERC), which brings together the foreign affairs ministers. The GAERC deals with external relations, but also with horizontal matters, such as the coordination of decisions, the preparation and follow-up of the European Council, as well as institutional and administrative questions. The GAERC meets at least once a month. Other councils also meet frequently reflecting the fact that the Community is more active in certain policy areas. For example, the Council of Agriculture and Fisheries meets at least once a month, whereas the Council of Environment Ministers meets once formally and once informally within every three-month period.

All ministers operating within a Council do not carry the same weight as they have unequal voting power (see Table 12.1). In a similar vein, not all Councils are equal in significance. Although the most important is the GAERC, finance ministers are constantly competing with foreign ministers for influence, and in pillar one the Council of Economic and Finance Ministers (especially the Euro-Group) comes next in the hierarchy of influence.³² The Justice and Home Affairs Council became important after the Maastricht Treaty came into effect and is now a key council in both pillar one and pillar three.

The Council of Ministers is the EU institution in which national interests are represented, defended, and ultimately compromised in the interests of reaching agreement. It is a "club" in the sense that the participants understand that ultimately compromises will have to be made by everyone and because its participants acknowledge that the Council is not a traditional international organization. Although the Council zealously guards its prerogatives and keeps a close eye on activities to ensure that the Commission does not encroach on the Council's territory, it must be emphasized that the

Box 12.4 The Nine Councils of Ministers

There are nine sectoral Councils, each of which is referred to as the "Council of Ministers." The nine sectoral Council configurations are:

GAERC (General Affairs and External Relations Council)

Economy and Finances

Justice and Home Affairs

Employment, Social Policy, Health, and Consumer Affairs

Competitiveness

Transport, Telecommunications, and Energy

Agriculture and Fisheries

Environment

Education, Youth, and Culture

Each Council is composed of the relevant ministers from each of the member-state governments (or someone delegated to represent them).

TABLE 12.1 Distribution of Power Before and After the Treaty of Nice

Member-State	Number of Commissioners		Number of Votes in Council of Ministers Under QMV		Number of Members of European Parliament (MEPs)	
	Before Nice Treaty	After Nice Treaty (2004)	Before Nice Treaty	After Nice Treaty (2004)	Before Nice Treaty	After Nice Treaty (2004)
Germany	2	1	10	29	99	99
UK	2	1	10	29	87	78
France	2	1	10	29	87	78
Italy	2	1	10	29	87	78
Spain	2	1	10	29	87	78
Poland	—	1	8	27	64	54
Netherlands	1	1	—	27	—	54
Greece	1	1	5	12	31	27
Czech Republic	1	1	5	12	25	24
Belgium	1	1	—	12	—	24
Hungary	—	1	5	12	25	24
Portugal	1	1	—	12	—	24
Sweden	1	1	5	12	25	24
Austria	1	1	4	10	22	19
Slovakia	—	1	4	10	21	18
Denmark	1	1	—	7	—	14
Finland	1	1	3	7	16	14
Ireland	1	1	3	7	16	14
Lithuania	—	1	3	7	15	13
Latvia	—	1	—	7	—	13
Slovenia	—	1	—	4	—	9
Estonia	—	1	—	4	—	7
Cyprus	—	1	—	4	—	6
Luxembourg	1	1	2	4	6	6
Malta	—	1	—	3	—	5

Source: Population figures from *Eurostat Yearbook 2004*, published October 1, 2004.

Council is very much an EU institution. While it represents national interests, it does so within the framework of European integration.³³ Member-states, by operating within the framework of the Council, accept an institutional framework that leads to a collective—rather than a unilateral—decision. By participating in the Council, national governments give up the maneuverability and autonomy that is implicit in national (unilateral) decision making. It is for that reason that “Eurokeepers” argue that participation in the Union means giving up sovereignty—defined as the ability to make unilateral decisions.

In contrast, the power of the Council of Ministers ensures that the Union always adopts legislation that meets with the approval of most or all of the member-state governments. The Community does not impose legislation on national governments—they adopt the legislation themselves in the Council of Ministers (and in many areas in partnership with the European Parliament). Opposition parties in national parliaments, however, do not have access to Council of Ministers meetings. So the EU does in fact enhance the power of those political parties that are in government at the national level.

The Council of Ministers plays a stronger role in pillars two and three than it does in pillar one. In pillar one, the policymaking process gives an important role to both the Commission and the Parliament (the latter, however, is excluded from Justice and Home Affairs even in pillar one), and the European Court of Justice can be central. The Commission plays a smaller role, and the Parliament no role, in the policymaking process within pillars two and three.

The culture of the Council is based on negotiation and is predisposed toward finding agreement:

The whole system depends on a crucial assumption that there is give and take between the positions of the member-states and that, whatever the starting positions of the members, there is *both* scope for those positions to evolve and a predisposition to find agreement. Thus atmospherics, mutual confidence and trust are important ingredients.³⁴

The member governments, acting within the Council of Ministers, are engaged in an institu-

tional process that is unlike that of any other legislative body in the world. Multinational, bound by Community rather than international law, and (in pillar one) engaged in important relationships with the Commission and the European Parliament, the Council of Ministers “locks” national ministers into an ongoing cooperative venture that includes a shared and enlarging policy agenda. It is that “locking” effect that helps ensure that national officials do not decide to act unilaterally rather than multilaterally.

Although some analysts view the Council as blocking further integration, comparison with other attempts at regional integration throughout the world highlights the importance of having national ministers involved in the nitty-gritty of policymaking at the European level. The Council of Ministers, in essence, is the guarantor of European integration in that national governments must participate in it and cannot ignore it. Without the Council, the actions of the Commission and the Parliament could conceivably be ignored by national governments, but their membership in the Council helps ensure that national governments address the issues proposed by the Commission.

The European Council

The key strategic institution within the Union is clearly the *European Council*. Strictly speaking, it does not form part of the Council of Ministers hierarchy, but it is closely linked to it. The European Council does not adopt legislation, leaving that to the Council of Ministers. It does, however, set out the key guidelines for action and future development. The European Council is attended by prime ministers (the president in the case of Cyprus, France, and Finland), foreign ministers, the Commission president and another designated commissioner. The foreign ministers provide the institutional continuity between the Council of Ministers and the European Council.

The Council meets formally four times a year in “summits” held in Brussels since the 2004 enlargement. (If a presidency decides to organize an informal summit, it can organize it wherever it wants.) These meetings receive far more publicity

than do meetings of the various sectoral Councils and may well symbolize the European Union for the average citizen.

The European Council usually operates through unanimity even when it is not required to do so. The European Council now “occupies a position at the apex of the EU’s institutional system, overseeing the work of each of the three pillars, and the specialized sectoral Councils which operate therein. It monitors their work, sets framework principles to guide their future deliberations, takes or clears major political decisions, and frequently engages in trouble-shooting.”³⁵ It is the European Council, for example, that has decided key issues such as whether enlargement to Eastern Europe would occur, when it would occur, and whether Turkey could begin accession negotiations.

The European Council, as well as the Council of Ministers, is chaired by representatives of the member-state government holding the *Presidency of the European Council and the Council of Ministers*. Every six months the presidency of the European Union rotates, so that each member government exercises the powers of the presidency in both the European Council and the Council of Ministers. The head of state or government of the country holding the presidency, along with the Commission president and the High Representative for Foreign and Security Policy of the Council of Ministers (Javier Solana), represents the Union at summit meetings with non-EU leaders. For example, in June 2004 Irish Prime Minister Ahern represented the presidency at a U.S.-EU summit. Most burdensome perhaps is the fact that officials representing the member-state government holding the presidency chair all of the hundreds of meetings that go on in the Council of Ministers.

Finally, the European Council controls the agenda and negotiations of the *Intergovernmental Conference (IGC)* which is called to revise treaties. The most difficult compromises made at the IGC—the Single European Act, the Maastricht Treaty, the Treaty of Amsterdam, the Treaty of Nice, and the proposed constitutional treaty which is currently being debated across Europe—were all made at the end of the negotiations by the European Council. Only prime ministers (accompanied by their for-

ign ministers) or heads of state have the political power necessary to make concessions that are very difficult for national governments to accept but which are critical for the success of negotiations.

The European Parliament

The *European Parliament* is the only supranational assembly in the world whose members are chosen by voters rather than by governments. Its 732 members serve five-year terms congruent with the commissioners’ five-year terms. *Members of the European Parliament (MEPs)* are elected at the same time across the Community, but each country uses its own electoral system. (A uniform European Community electoral system does not yet exist.) Because of the disproportionate influence of small countries (discussed later) in the Community, members represent constituencies vastly different in size (see Table 12.1).

Turnover is very high after each parliamentary election. After the 1999 parliamentary election, over half of all the MEPs were new rather than returning incumbents. Some MEPs continue on to distinguished careers in national politics, especially in France (where 10 of the 16 prime ministers and 4 of the 6 presidents in the Fifth Republic were MEPs). In reverse, six former prime ministers were elected as MEPs in the 1999 elections, and over 10 percent of MEPs have been ministers in national governments. Roughly 30 percent of the MEPs in the 1999–2004 Parliament were women, with the highest proportion in the Finnish delegation and the lowest in the Italian.³⁶ In the 2004–2009 Parliament, 222 MEPs were women.

The Parliament argues that it is the only directly elected European institution (it became directly elected in 1979) and is therefore closer to the citizens of Europe than either the Commission or the Council. Thus, the Parliament has pressured, coaxed, threatened, and in general become an important presence on the political scene. It is not yet an equal partner with the other institutions across the board. For example, it cannot decide the total size of the EU’s budget nor formulate the EU’s trade policy; it is excluded from spending on agriculture, foreign policy issues other than enlargement, and is largely excluded from the area of Justice and Home Affairs.

oneless, since the Treaty of Amsterdam went to effect in 1999, its influence is very strong on most legislation falling under pillar one. The Treaty of Nice further reinforced the Parliament's power of acting as a co-legislator with the Council of Ministers. The Parliament can only ask the Commission to draft proposals rather than initiating its own draft proposals. However, the Parliament, in those areas in which it has jurisdiction, is able to offer amendments which can substantially change the proposal offered by both the Commission and the Council of Ministers. In the year after Amsterdam went into effect, the Parliament had 81 percent of its amendments accepted by the Council of Ministers. This indicates that it is effective in shaping legislation.³⁷

The Parliament has control (within limits) of so-called "noncompulsory" spending. This includes spending not directed toward agricultural support (the largest single portion of the budget) or based on international agreements with third countries. Over time, the proportion of noncompulsory spending as a percentage of the total budget has increased. Currently, it is over 50 percent and in 1999, 20 percent of spending in agriculture traditionally classified as compulsory would be reclassified as noncompulsory.³⁸ In fact, the granting of budgetary authority to the Parliament in 1975 could be seen as a key step that has undergirded the subsequent increases in the parliamentary power.

The Parliament's formal powers were strengthened by the Treaty of Maastricht and strengthened further by Amsterdam and Nice which extended the use of the co-decision procedure in the adoption of legislation. The Parliament's power of co-decision allows it to stop legislation which it does not want, even if the Council of Ministers unanimously supports it. In cases in which the Parliament and Council approve different versions of a piece of legislation, conciliation talks are held to try to agree on a compromise. If such talks fail, the legislation is rejected. Now that co-decision is so frequently used within pillar one, the Council and the Parliament must interact each other early in the legislative process so that conciliation talks will not be necessary. Between November 1993 and April 1999, 165 decisions requiring co-decision were dealt with and

40 percent required conciliation talks (three of the proposed directives considered were killed as no agreement could be reached). However, in the year after Amsterdam, 65 pieces of legislation were addressed and only 25 percent required conciliation talks.³⁹

The Parliament also exercises the right to approve the president of the Commission as well as giving a formal vote of approval of the College of Commissioners as a whole. Finally, it also approves the president of the European Central Bank. The Parliament must also assent to certain international agreements, including accession treaties and association agreements.

Most of the Parliament's work is done in committee. Each committee can decide whether its work will be done in public view or in closed session. Whereas committees in most national parliaments work in closed session, most European parliamentary committees now work in public. Each MEP is a full member of at least one committee. Final parliamentary approval however has to be granted in plenary sessions, and at times committee recommendations are overridden in the plenary.

The European Court of Justice

The *European Court of Justice*, located in Luxembourg, is a powerful "supranational" institution making what is in effect judicial law. The Court is composed of one judge from each member-state (chosen by the national government). Judges serve a six-year term of office that can be renewed. They elect one of the sitting judges as president. The ECJ established the Court of First Instance, which began operating in November 1989. That court has a more limited jurisdiction and cannot hear what might be termed constitutionally important cases.

The European Court of Justice is often the arbiter in disputes between an individual member-state and the Commission. It also handles inter-institutional disputes—for example, between the Commission and the Council of Ministers. Individual citizens can bring cases before the Courts only if a Community action has directly harmed them. It is typically easier for a firm to argue such harm than a noneconomic actor. Non-governmental groups such as environmental organizations do not have

easy access to the Court. Since the Nice Treaty, the European Parliament can also bring a case to court. The Court has jurisdiction over issue areas falling within pillar one as well as very limited jurisdiction in pillar three.

Most of the Court's cases come from national courts asking for a preliminary ruling. The national court then takes the ECJ's preliminary ruling and delivers it as its own opinion. National judges therefore are an important factor in developing the effectiveness of the Community's legal order.

Initially established as an international court operating under the constraints of international law, the Court rather quickly began to represent the "European interest" in its own right. After the Treaty of Rome went into effect, the Court "constitutionalized" that international law under which it had been operating. Rather than simply becoming an international court with limited impact, it gradually evolved into a powerful body resembling, in some striking albeit limited ways, the U.S. Supreme Court. Its influence in the policymaking process is such that one scholar has concluded that "for many areas of European and national policy, knowing the position of the ECJ is as important as knowing the position of the member-states and national interest groups."⁴⁰ The Court performs an important role in the policymaking process as we discuss later.

The Single Currency and the European Central Bank

Although Economic and Monetary Union (EMU) had been discussed since the late 1960s, it was not until the Maastricht Treaty that a timetable was established and a serious commitment made to move ahead to that milestone of integration. A *single currency* and a *European Central Bank* were established in 1999, and citizens began using the common currency (the euro) in January 2002.

The political dynamics behind EMU were clear to political elites but difficult to explain to the general public. Under the previous European Monetary System (EMS) established in 1979, currencies were allowed to fluctuate only within an agreed-upon

range. The German Bundesbank was the dominant decision maker. The German currency, the Deutsche mark, became the "anchor currency." That is, when the Bundesbank raised interest rates, the other EMS members were forced to follow in order to keep their currencies within the range to which they had agreed. When such a need arose during a recession, this had a harmful impact on national economies. The high interest rates in a recession exacerbated high unemployment and therefore were very painful.

The high cost of German unification led the German Bundesbank to raise interest rates while many other EMS members were in a recession. The French and the Italians in particular realized that they needed to gain a voice in European monetary policy. To do so, they had to give up their own monetary sovereignty (largely illusory in any case because of the dynamics of the EMS) and convince the Germans to give up their own monetary sovereignty. This would occur within the framework of a European Central Bank in which each central bank would have equal representation.

Although the Bundesbank was reluctant to embrace EMU, Chancellor Kohl, anxious to show that unification was not leading Germany away from the European Community, agreed to economic and monetary union. The decision over EMU fell within the "Chancellor's prerogative."⁴¹ That is, the ultimate decision about EMU was the Chancellor's. The Maastricht Treaty embodied that agreement. The German government, however, insisted on certain conditions in order to ensure that the new *euro-currency* would be as "strong" a currency as the *deutsche mark* that the Germans were to give up. In particular, the European Central Bank was to have price stability (rather than, for example, low unemployment or high rates of economic growth) as its primary objective. Countries were not allowed to join EMU unless their deficits were at 3 percent of GDP or lower.

Years of brutal budget cutting were required for many countries (such as Italy) to qualify. In 1999, 11 countries joined what became known as the Eurozone; Britain, Sweden, and Denmark stayed out. Greece was allowed to join in 2001.

Box 12.5 European Integration and Transatlantic Security Meet at Last

Since 1949 responsibility for European defense policy has been in the hands of individual governments and the North Atlantic Treaty Organization, an intergovernmental body involving (and relying heavily upon) the United States. In 1999 the member-states of the

European Union finally agreed to take important steps in the direction of more integrated defense and security policies, by cooperating with NATO, rather than replacing it.

	EU	NATO
Membership:	European member-states only	Transatlantic membership (most EU states, Norway, Turkey, U.S., and Canada)
Main Objective:	Political & economic integration	Collective defense and peace-keeping (out-of-area) operations
Key Officials:	Foreign Ministers and, after 1999, Defense Ministers and the High Representative for Common Foreign and Security Policy	Foreign and Defense Ministers
Headquarters:	Headquartered in Brussels	Headquartered in Brussels
Type of Organization:	Supranational organization	Intergovernmental organization
Role of U.S.:	U.S. does not have a "seat at the table"	U.S. has the most important "seat at the table"
EU-NATO Relationship:	No relationship with NATO until 2000—relationship formalized in the Copenhagen Agreement of December 2002	No relationship with EU until 2000

Feira European Council Summit in June 2000 led to the establishment of four ad-hoc/NATO working groups. In September 2000, for the first time, the Interim Political and Security Committee and NATO's Permanent Council met—

Does the European Union Make a Difference?

The European Union now affects a great many people, some of them more directly than others. It makes the most difference for the farmer whose prices and subsidies are largely dependent on the decisions made by the Council of Agricultural Ministers and the Commission. Fishermen's catches and allotments are significantly influenced by Brussels. Businesspeople are affected by the provisions of the single market (especially the mobility of capital and the liberalization of numerous once-protected markets), the move to the euro, the robust antitrust pol-

icy implemented by the Commission (and coordinated with the antitrust policy of the United States in relevant cases), and the Union's environmental policy. Bankers and investors are affected by the policies of the European Central Bank and the move to a common currency. Environmentalists want to increase environmental protection. Consumers are worried about the safety of the food they eat; soccer players now enjoy "free agency" because of the EU. Women seek equal pay for equal work. Airline passengers benefit from airline deregulation. Retirees can decide to live in another member-state. Regional government officials receive funds from Brussels to help their region develop roads and jobs. Patients benefit from more rapid approval of new medicinal drugs now that they fall under the jurisdiction of the EU. Telephone users have benefited enormously in terms of both price and level of service from the deregulation of the telecommunications sector pushed through by the Commission. In 2002, everyone living in the 12 member-states that have accepted the euro became accustomed to paying their bills by using a new currency and relinquishing their old familiar national currency.

By contrast, in areas such as the provision of health care, education, urban policies, social security, and unemployment compensation, national governments have retained the right to unilaterally make policy. These policy areas are only indirectly affected by the European Union. The "welfare state" is largely still under the unilateral control of national policymakers (although its financing is affected by the policies of the European Central Bank). In areas related to economic activity and social regulation (consumer and environmental protection, for example), rather than social services, the European Union is particularly relevant. Thus, the European Union does not legislate the health benefits that any citizen of any member-state is entitled to enjoy. However, the fact that the doctor chosen by a patient may be of a different nationality from the patient occurs because EU regulations recognize medical degrees across borders. The drugs that the doctor prescribes are under EU regulations if they are new to the market, and the competition among firms selling that drug is shaped by EU rules.

Countries outside of the EU are also particularly aware of the European Union. The United States must bargain with the Union in important global forums such as the World Trade Organization; poor developing world countries are given preferential access to EU markets as institutionalized in the Cotonou Agreement. Countries such as Turkey and Israel and in the Mediterranean have negotiated special trade agreements with the Union.⁸⁸ Although at this point in time the EU is not yet a true "military" power, its economic reach and power make it an important international actor.

From the beginning, the external economic role that "Europe" would play if organized into a relatively integrated unit has been an important consideration for European policymakers. In the field of agriculture, for example, the Common Agricultural Policy allowed the Community to ward off strong American pressure to open up the European agricultural market.⁸⁹ This external role was particularly important given that the states initially involved in European integration were not "self-confident" states. Their capacities were not in any way similar to those enjoyed by the United States, a superpower with enormous resources and global power.⁹⁰ European integration allowed these states to have much greater influence in the international environment than if they had exercised traditional sovereignty. Public opinion attitudes among mass electorates, in fact, show high degrees of support for Union activity regarding the international environment in all policy arenas, not simply those having to do with economics. "European elites may emphasize the difficulties of coordinating foreign and defense policies among the European states, but European publics see this as a natural area of joint action."⁹¹ In fact, as we have seen, the leaders of the EU member-states are following the lead of public opinion in cooperating more extensively in the field of foreign and security policy.

POLICY CHALLENGES

The European Union faces three key challenges in the years ahead—all extremely difficult. How to digest the May 2004 enlargement to Eastern and

tral Europe without undermining the process of integration is one. The second involves having a treaty accepted by the 25 member-states, some of them through a referendum. The third requires attaining a balance between integration and the protection of cultural diversity so that ordinary citizens of very diverse member-states do not feel they are being culturally "homogenized" and some European integration for that threat to their identity.

The Challenge of Enlargement

How can the European Union digest the enlargement to 10 new member countries? Having recently gained their independence, support for EU membership in the 10 candidate countries was at a steady level of 52 percent in 2003. The highest level of support was in Cyprus (59 percent), Slovakia (58 percent), and Hungary (56 percent). The lowest level was in Estonia (38 percent) and Latvia (46 percent). In addition, the 2004 enlargement (plus the prospect of 2007 enlargement to Bulgaria, Romania, and the Balkan countries) has left the question as to where the borders of the EU will finally come to

The new entrants from the East and the South primarily small states (with the exception of Poland) with large agricultural populations. These nations will all be net gainers under present distributive policies within the Union. Funds that previously helped the poorer member-states—Spain, Portugal, Ireland, and Greece—will either need to be expanded, eliminated, or redirected toward the new entrants. In 2002, for example, even Slovenia, the wealthiest of the 10, had a per capita GDP that was only 70 percent of the EU average; the Czech Republic and Hungary had 57 percent and 50 percent respectively. Latvia had a per capita GDP that was only 35 percent of the EU's GDP per capita. Perhaps the key question, however, is how to structure the policymaking institutions of the European Union. Should each member-state be allocated one commissioner or should there be a rotation of countries with a commissioner? If the latter

option were chosen, would the Commission have the legitimacy required to offend the big member-states? How should votes in the Council of Ministers be allocated? Small countries are by far the majority of the 10 states, with only Poland (with a population of 39 million) having a population of more than 10 million. Enlargement will change the dynamics of coalitions within the Council, especially if the use of qualified majority voting expands so as to avoid decision-making paralysis. The big member-states have opposed maintaining the disproportionate power of small countries, but the small member-states have been determined to protect their role in the decision-making process. In December 2000, some of these issues were addressed in the negotiations for the Treaty of Nice, which incorporated very difficult compromises. The Nice Treaty decided to adopt a system of reweighting of votes within the Council (a total of 237 votes were allocated to the 15 member-states, with a qualified majority threshold set at 169 votes). As from November 1, 2004 and taking into consideration the 2004 enlargement, a Council decision is adopted when it receives at least 232 votes out of 321, reflecting the majority of the members of the Council (subject to the demographic clause), combined with a double or even triple majority. While the reweighting of votes favors the large member-states, the qualified majority must also be a majority of the member-states. This is combined with a system known as the "demographic safety net," which means that each member-state can request verification of whether the qualified majority represents at least 62 percent of the population of the Union. If this condition is not fulfilled, the decision cannot be adopted.

The Central and Eastern European countries viewed admission to the Union as a necessary component of their road toward democratization, a market economy, and a "return to Europe" (that Europe of which they were a part before the Cold War). From the point of view of the previous EU member-states, admitting the countries of Central and Eastern Europe involved a whole series of decisions with profound implications for the future governance of the Union. Whereas Germany favored enlargement, that federalist perspective was

countered by the United Kingdom, which favored enlargement but thought it would lead toward a more "intergovernmental" Community with fewer inroads on national sovereignty. Countries that have benefited from the EU's special programs for poorer countries—Greece, Spain, Portugal, and Ireland—view the "newcomers" as competitors for funds that have accelerated their own economic modernization.⁹²

As the Union faces eastward, therefore, it has to answer questions about where its final external frontier will be. Will it be the eastern border of Poland? Or beyond? It has to answer questions about whether it will become more integrated or less integrated, as the current stage of integration is likely to lead to paralysis if extended to a Union with many more countries. It will have to consider whether it must become more integrated in the area of foreign and security policy. Or does NATO enlargement to admit Central European countries imply that those countries will not favor the further development of a European (rather than transatlantic) defense identity even if the "old" EU members desire it? As Europe enters the next century, it is striking that an organization rooted in the geopolitics of the past is the arbiter of the challenge of continental order.⁹³ The European Union has succeeded to such an extent that it now has the responsibility of drawing the political and economic map of Europe. Yet the average man in the street is not certain that he wants to accept that responsibility.

The EU Constitution

The questions raised earlier about decision making, the avoidance of paralysis, and a more coherent European Union in international affairs have occupied both EU and national politicians since the Treaty of Nice was signed in 2000. The answers to many of those questions were finally given in June 2004. The 25 heads of state and of government meeting in Brussels agreed on a new constitutional treaty. It is hoped that this treaty will bring stability to the decision-making procedures and institutional design of the Union and end the cycle of treaty-making which began with the 1986 Single European Act.

A constitutional convention that met for one and a half years under the chairmanship of former French President Valéry Giscard d'Estaing prepared the reforms. The constitutional convention was an alternative to the Intergovernmental Conferences (IGC) that had traditionally revised treaties. In an IGC, representatives of member-states met and negotiated often hard-fought bargains among themselves. The European Union resembled a traditional international organization when it was engaged in negotiating an IGC. The constitutional convention was convened in order to make the process of treaty revision more transparent, democratic, and open to more actors than just national representatives. The convention, besides including national government representatives from the 25, included representatives from the European Commission, the European Parliament, and national parliaments. The convention also met with representatives from civil society.

The members of the convention agreed on a draft constitution in July 2003. It presented the draft to the member-states who started renegotiating various points of contention. It took another year for the national representatives to agree on the new treaty.

The provisions that led to the bitter negotiations were the ones that already proved contentious during the Amsterdam and Nice negotiations: the size of the Commission, the number of seats in the European Parliament, and the weighting of votes in the Council of Ministers. These key questions pitted big member-states against small member-states and emphasized the dual nature of the EU: a supranational organization where member-states still are key power-holders.

If the new constitutional treaty passes the test of ratification and referendum (it is not expected to enter into force until 2007), the key changes to the EU decision-making process would be the following:

- A president of the EU: chosen by the EU heads of state and of government for 2.5 years (renewable once) to chair the European Council and represent the EU abroad.
- An EU foreign affairs minister (who will become vice-president of the European Commission): chosen by the member-states to chair

meetings of EU foreign affairs ministers; formulate policies on issues from terrorism to peace-keeping; and represent the EU abroad with the EU president.

- The definition of a new Qualified Majority Vote (QMV): 55 percent of member-states (representing at least 15 countries) and 65 percent of the EU population. The voting minority must comprise at least 4 states.
- The size of the Commission: starting in 2014, the Commission's size will be equal to two-thirds of the member-states.

Cultural Diversity

of 2004, the European Union was composed of member-states, including most of Scandinavia, Mediterranean countries, and former Soviet elites. The Union's gross national product and population are larger than that of the United States, and today it is the largest market in the industrialized world. As the Union has expanded, it has become more striking in its cultural diversity. As the economies of the 25 are more integrated and as more policy areas are included in integrated Europe's policy portfolio, questions of national identity are more salient. Diverse European cultures have emerged out of many centuries of disparate historical experiences, and the recent economic convergence is proceeding far more quickly than is any type of cultural (or linguistic) convergence. Although the EU is firmly committed to protecting cultural diversity, the tension between culture, economics, policy, and identity are more pronounced now than the Euro-

pean Union includes nearly all of Western Europe and a big part of Eastern Europe. How far will the average person accept being made into a "European" in political and economic terms without feeling that his or her identity is being fundamentally threatened? That question has not yet been answered.

The question of a "European" identity is further complicated by whether Turkey actually belongs in the European Union. The need to decide whether accession negotiations should begin with Turkey (which had been officially accepted as a candidate country in 1999) divides mass electorates (which generally opposed Turkish membership) from their elected leaders (many of which supported it) as well as the political class itself. The very difficult history that has shaped the relationship between Christian Europe and Muslim Turkey (and its predecessor the Ottoman Empire) has brought issues of identity, previously of secondary importance, to the fore as the debate over Turkish accession has developed. The consequence of such a debate over "European" identity is unpredictable. Ironically, the debate over Turkey may make "the 25" feel more European than they did before the issue of Turkey came onto the political agenda. The history that binds the 25 together and separates them from Turkey is much discussed and debated. Yet the question of Turkish accession also presents an opportunity for the EU. Given the capabilities of the Turkish military, an EU with Turkey as a member could play a major role in geopolitics. The Turkish question may well force the EU to choose between cultural affinity and a major geopolitical role.

Key Terms

Council of Ministers (Council of the European Union)	Economic and Monetary Union (EMU)	European Economic Community (EEC)	Intergovernmental Conference (ICC)
Committee of Permanent Representatives (COREPER)	European Central Bank	European Free Trade Association (EFTA)	Justice and Home Affairs (JHA)
	European Council	European Parliament	Maastricht Treaty (Treaty of European Union)
	European Court of Justice	European Union (EU) intergovernmental	

Marshall Plan
Members of the European Parliament (MEPs) and the Council of Ministers
North Atlantic Treaty Organization (NATO)

Political and Security Committee (PSC)
Presidency of the European Council and the Council of Ministers

President of the Commission
Schuman Plan
single currency (euro)
Single European Act (SEA)
supranational

Treaty of Amsterdam
Treaty of Nice
Treaty of Rome
1992 Project

Internet Resources

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The European Parliament:
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Commission Delegation in Washington, DC:
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