50 YEARS OF EUROPEAN UNION DEVELOPMENT: QUANTUM LEAPS AND SMALL STEPS?

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Abstract

This article is based on the presentation made at the invitation of the Lithuanian Authorities and the European Commission Representation in Lithuania to speak in Vilnius at a Symposium of the 50th anniversary of the Treaty of Rome in March 2007.

The article reviews the foundations of the European Union only five years after the end of World War II and the strong yearning for peace of the founding fathers and nations. 5o years later with the major eastward expansion of the EU the new Member States while still concerned with peace and additional priorities related to ascertaining their sovereignty and developing their prosperity. There is a need to bridge the original aim of sharing sovereignty of the original 6 Member States with the legitimate objectives of the new Member States, though understanding and dialogue.

A number of proposals are made to that effect.

Introduction

The invitation which I received from the Lithuanian Authorities and the European Commission Representation in Lithuania to speak on the occasion of the 50th anniversary of the European Union was of very special significance for me as I was born in Vilnius but never had the opportunity to revisit. I have been a civil servant of the European Commission for 35 years and since my retirement in 1999 I have lectured extensively in academia throughout the world on the European Union.

This background gave me perhaps a personal and different insight into the early development of the European Union, and into the ways it has progressed over the years, which I would like to share with you. I cannot be pessimist about the future of Europe – even eight years after my retirement as a civil servant of the European Commission.

With the approach of the 50th anniversary of the European Union more and more is being said and written on the subject; to innovate and be original becomes almost impossible, however let me try.

While we are celebrating this year this 50th anniversary, we must however remember that "Europe Day" is celebrated on May 9th. On that day in 1950 Robert Schuman (French foreign minister

at that time) at a major press conference proposed a common market for coal and steel, and delegating control of these key sectors of their economies to an independent authority. The now so-called Schuman Plan was authored by Robert Schuman and Jean Monnet.

The Treaty establishing the European Coal and Steel Community was signed on 18 April 1951 (less than one year after the proposal was made) by Belgium, France, Germany, Italy, Luxembourg and the Netherlands; and the High Coal and Steel Authority established in Luxembourg. This Treaty brought together the coal and steel industries, essential at that time for the war machine, of the two main partners, France and Germany only 6 years after the end of WW II. The trauma of WW II, even if somewhat less severe in Western than in Eastern Europe, cannot be overstressed; having overcome it, at least partially, less than 6 years after the end of the war was quite an achievement.

The European policy makers were motivated by the firm belief that a new economic and political framework was needed to avoid future Franco-German conflicts, promote long term peace, and strengthen the role of Europe in the world.

The European Coal and Steel Treaty had already planted the seeds of the European Economic

Community Treaty: a common market with common objectives and indicators, while promoting the improvement of the living and working conditions of the labour force in these industries, setting thus already in 1951, the stage for the development of the European Social Model.

The fundamental and priceless objective of the Founding Fathers of "Europe" – peace – seems to have been achieved for the moment. After many centuries of repeated and very frequent wars in Western Europe, we now have for the first time already 67 years of peace among the original 6 countries of the European Union. Can this and should this be weighed against anything else?

As Danuta Huebner, the Commissioner responsible for EU regional policy, remarked recently, the process has been "the most successful example of peaceful political change mankind has ever witnessed".

Between the establishment of the Coal and Steel authority and that of the Common Market, recently uncovered British archives seems to show that on 10.09.1956 Guy Mollet, the French Prime Minister came to London to discuss with Sir Anthony Eden the possibility of the two countries to merge as a union, or for France to join the Commonwealth – the requests failed and one year later France signed the Treaty of Rome.

This introduction should not be concluded without referenced to the OECD and NATO treaties and the Marshall Plan as important precursors; however with the European Coal and Steel Community the concept and implementation of pooling and sharing sovereignty, as an important instrument of peace, is introduced for the first time.

What is the European Union?

Roger Cohen recalled one year ago in the International Herald Tribune (24-25/2/2007) that:

"Jacques Delors once called the European Union "an unidentified political object". Much more than a customs union, much less than a federal state, the EU must suffer the indignity of being an "entity" or a "thing" or a "grouping" even in it's now 50-year-old glory.

The European Union concept did not have a real model on which it could be based – its basis was more a vision in the mind of a few enlightened statesmen – Jean Monnet and Robert Schuman already mentioned, as well as Alcide DeGasperi, Konrad Adenauder, Charles de Gaulle, Paul-Henri Spaak, just to name a few.

The complexity of Europe and its ever changing borders should be remembered; thus before WW I Robert Schuman was German (from Alsace) and fought in the German army in WW I, while Alcide DeGasperi was Austrian, living in Alto Adige which at that time part was part of the Autro-Hungarian empire.

The EU developed from the very beginning in un-chartered territory – the future 'territory and structure' of the EU was terra incognita, like the interior of Africa to Europeans less than 200 years ago.

In summary one can characterize the EU as an association of 27 countries, with very large differences in population and economic power, based on free will and not coercion as has happened often in the past; it is may-be the First Non-Imperial Empire!! In the global context whoever all these countries are small. Paul-Henry Spaak recalled that ''In Europe all countries are small, but some have not noticed it''.

One should stress that the soul of Europe is in its culture, civilization and diversity. The EU has 24 official languages; in Umberto Ecco's view 'the language of Europe is translation'.

The European Union is not an international organization, like the UN, NATO or the OECD! So what is it?

The formal problem of finding a definition for the EU, without mentioned it by name, arose in relation with the negotiations and signature of international treaties in particular within the framework of the United Nations, as only UN member states can be signatories of such treaties. However, since in a number of instances the substance of the treaties, such as for example the Convention on Climate Change and the now famous Kyoto Protocol, is covered in part by the 'acquis communautaire', the EU Member States were not totally free to negotiate; furthermore, also part of the implementation of these treaties is the responsibility of the European Union. There was therefore the imperative need to devise an approach which would allow the EU to sign and be part of the Treaty, without being named specifically. Following extensive legal discussions, the following terminology was agreed: Treaties are open to the signature of the Member States of the Organization and to "regional economic integrational organizations" defined as an organization composed of several sovereign states, and to which its Member States have transferred competence over a range of matters, including the authority to make decisions binding on its Member States in respect to these matters. While this complex definition for the moment applies only to the EU, reflecting clearly a transfer of part of the sovereignty of its Member States to the European Union, it could in the future apply to other similar institutions.

Is the term "economic" in the definition just described still fully appropriate?

Is the EU cohesion policy – now representing about one third of the EU budget – purely economic? The social policies of the EU are essential, as is the budget devoted to external assistance.

In any case when comparing the EU budget and that of the whole UN family – 120 B Euros versus 20 B euros, including expenses for peace keeping operations, we see clearly in addition the difference in financial scope of the two entities.

Understanding the institutional memory of the EU

An Australian Parliamentary Delegation visiting Germany in 2001 concluded:

''The concept of a united Europe seemed a distant reality in the decade after the war when coal and steel producers in France and Germany sat down to negotiate an agreement of cooperation. Yet it was these humble beginnings that led to the establishment of the European Union.''

With the expansion of the European Union, a better understanding of the initial concept of the EU – shared sovereignty between the original six, and thus decrease of the scope of national sovereignty – among the new Member States, is essential for the increased cohesion of the Union.

The same Australian Parliamentary Delegation noted in its report that:

"while Germany remains committed to the European Union other European

Countries have been prepared to put their national interest ahead of ideals''.

Are the new Member States seeing the EU mainly as a key tool to strengthen their sovereignty?

With expansion, there is an inevitable divergence of interests, however this divergence must be well understood and minimized for the common good – that of all the people of the European Union.

Progression by quantum leaps and small steps

The six founding members dedicated themselves to establishing the "foundations of an ever closer union among the European people".

Since the founding treaties in the 1950's the European Union has evolved considerably, both through several new treaties amending the previous ones and also through substantial administrative changes.

According to Roger Cohen, already quoted, this "unidentified political object" is defined by flux: if it stands still it dies!! This "unidentified political object" is still grappling with the enlargement that followed the Cold War's end, still torn between political union and a looser association.

In my view, two key and complementary approaches have been used, and continue to be used, to move the European Union forward: quantum leaps and small steps.

Some examples of quantum leaps are the:
- original treaties
- European Single Act
- Common Agricultural Policy
- establishment of the internal market, including the freedom of movement of persons throughout the European Union
- introduction of the EURO
- introduction of qualified majority voting for Council decisions
- direct elections for the European Parliament
- 2004 Enlargement of the European Union
- proposed European Constitution.

While examples of small steps are:
- some of the de facto increasing powers of the European Parliament
- increasing de facto role of the European Court of Justice in relation to the legal interpretation of EU legislation
- de facto and gradual introduction of new policies such as the environment and health, and more recently energy
- extension of qualified majority voting areas at the Council
- creation of satellite agencies.

As the quantum leaps are more self evident, I shall concentrate on the importance of the small steps with two examples related to the European Parliament and to the European Health Policy.

The European Parliament.

Following formal decisions in Treaties given the European Parliament budgetary and co-decision powers, these powers increased automatically with the change in the budget structure of the EU and with the expansion in the number of areas where majority voting was implemented at Council.

The budgetary powers of the European Parliament are restricted to the non-obligatory expenses. When the decision to give budgetary powers to the European Parliament was agreed, these non-obligatory expenses were only a relatively small fraction of the budget. However, with the significant decrease in the budget related to agricultural expenses (obligatory), at present the non-obligatory expenses have become the largest portion of the EU budget, and thus the budgetary power of the European Parliament has increased without any further specific Council decisions.

This automatic increase in power applied similarly in relation to the co-decision power of the European Parliament.

It is in this context that the national parliaments have to increasingly share, indirectly, the democratic

power in the European Union with the European Parliament. The European Parliament has as much democratic legitimacy as the national parliaments, even, may be more so, as at European level elections are based on the same electoral system. However, to balance this increasing role of the European Parliament, the proposed European Constitution is envisaging the direct participation of national parliaments in the European legislative process. This, in my view, is reasonable but not the suggestion made in the respectable 'The Economist' (March 17th to 23rd , 2007) that a more robust solution would be to scrap it (the European Parliament) all together and replace it by a European *non* elected Senate – would this bring more democracy and legitimacy?

The EU health policy is another example of a slowly evolving and increasing policy at EU level within the context of the European Social Model.

I have chosen health as it has received much less publicity than the environment.

In the original EU treaties of 1957 the need to protect health was only mentioned explicitly and in detail in the EURATOM Treaty, with a whole chapter devoted to the radiation protection of workers and population.

In the European Economic Community Treaty health had mainly a negative mention – the free movement of goods and people could be restricted for health reasons.

In the Maastricht Treaty the possibility to legislate in matters related to health and safety at work was introduced, followed by legislation related to environmental health.

In subsequent Treaties the possibility to legislate on matters of public health, unrelated to the economic consequences, was introduced successively following public health scandals in various EU countries – tinted blood, BSE (bovine spongiform encephalopathy – mad cow disease) and SARS.

Recent rulings of the European Court of Justice have also extended the benefits of the health policy directly to the citizens. Interpretation by the European Court of Justice of existing legislation related to the free movement of goods has extended to powers of the European citizens the freedom to purchase medication and medical devices beyond their national borders and be reimbursed.

With the most recent restructuring of the European Commission, following the accession of Bulgaria and Romania, the EU has now finally a "Minister of Health" (Commissioner Kyprianou).

In the framework of its health policy, the EU is tackling the threats related to infectious diseases both within the EU and at is borders. This is particularly relevant for Lithuania, faced at both its borders with Belarus and Russia (Kaliningrad) with major Tuberculosis and AIDS epidemics. The EU is currently funding a major programme in Kaliningrad aimed specifically at the prison population where these epidemics are almost out of control. This programme should benefit Lithuania by lessening, in time, health threats at its border.

It should be also remembered that life expectancy in Lithuania and its three EU neighbors (Estonia, Latvia and Poland) is between 72 and 74 years, while in the old EU Member States it is close to 80. While earlier it was considered that health will improve with wealth, however now it is more and more agreed that improving health is an important prerequisite to wealth – a healthy workforce is by far more productive, thus health should, even in the economic context, be given overall a much higher priority.

The changing nature of the EU

Returning to the foundation of the EU, based on this 'overwhelming' desire not to have another war in Europe, the countries founding members, and their populations, despite, or may be better because, of their conflictual past, were willing and ready for a very close cooperation, including a loss of part of their sovereignty. This driving force, with some ups and downs, continues to motivate the founding members in their approach towards the continued development of the European Union.

With every expansion of the EU, these converging interests were ''naturally'' diluted. The recent major two step enlargement of the EU, has included a number of countries whose independence and sovereignty have been totally or partially suppressed for one or even two generations. Becoming EU Members, to them, in my view, represented the best guarantee for maintaining and preserving this independence and sovereignty, a major difference in philosophy and even practical approach to that of the founding members.

This dichotomy has to be fully realized and appreciated.

All Member States have to be fully aware of the changing nature of the EU which has also given it its dynamism, and be ready to compromise, an essential element which ensures the progress of the EU.

The New Member States, as newcomers, should study and understand well, for their own benefit as well as that of the European Union, the history and background of the Institution of which they have become members, and be ready to accept, as much as possible, the initial goals of the EU, while maintaining their own objectives.

Having had now 67 years of peace among the founding members of the EU is not a small

achievement, even if it is difficult to determine the contribution of the establishment of the EU towards this achievement. It is the first time in several centuries that such a long period of peace has occurred. Let us hope that with the enlargement of the EU and the reduced tensions in Eastern Europe, this long period of peace and growing prosperity will continue and extend to the whole of Europe.

The Stability Pact for South Eastern Europe, initiated a few years ago with the active support of the European Union, as a Bridge for Peace, is another excellent example of the export of peace outside the EU. As a member of the Executive Committee of the Health Network within this Stability Pact, I can testify first hand of the reality of the promotion of mutual understanding and cooperation which has been achieved.

The EU has gone through six enlargements and, expansion is not yet finished. By including, one day, into the EU the Balkan States that were involved in the last decade in the worst violence seen on the Continent since 1945, the EU will further strengthen the Continent and ensure peace.

I feel that Ireland, the ''Celtic Tiger'' presents some similarities with the "new" EU Member States which deserve to be reflected upon; I had the privilege to work closely with the Irish Commissioner for a number of years, and thus gain a close understanding of the Irish situation.

Following its independence from the United Kingdom in the 1920's, Ireland remained in the shadow of Britain, with respect to Europe, until it joined the European Union in 1973.

30 years later we can look at the Irish achievements and performance in the EU.

The outstanding economic achievements of Ireland are too well known to be discussed at length – enough to say that the GDP of Ireland is now among the highest in the EU.

Its performance as a member of the EU however deserves to be stressed.

It has been fully, very actively and positively involved, in a spirit of cooperation, with the EU decision making process.

It should be noted that Ireland has joined the Euro, while the UK has not.

It was not afraid to forgo further ascertaining its independence, and was ready to share fully with its new partners – members of the EU – its sovereignty for the benefit of the EU as a whole and its member states individually.

The so-called 'new' EU Member States face a similar challenge for their own benefit and that of the EU. I am sure that they are ready and will be up to the challenge.

Conclusion

In conclusion, the European Union represents a quantum leap in European integration, with a common currency, a single market, freedom of unhindered movement of people, and new policies which go well beyond the original idea of a single customs union, as set out in the European Economic Community Treaty. Recent enlargements have recognized furthermore the triumph of democracy over dictatorship.

The act of faith into the future of the original six members of the European Union in 1951 has planted the seeds of peace in Europe. These seeds having taken roots, have certainly contributed to the peaceful transformation and transition which has taken place in the past two decades in Eastern Europe and in particular in the Baltic States.

To paraphrase Robert Toulemon, former Commission Member, in a book 'Aimer l'Europe' published in 2007, there are three reasons to love Europe:
- for what it has achieved and thus what it is;
- for what it can be; and
- for the services it can render humanity.

As a final conclusion let us all agree that the EU is a project still in the making, however in constant progress.