Summary Article: **European Union**
From *The Columbia Encyclopedia*

(EU), name given since the ratification (Nov., 1993) of the Treaty of European Union, or Maastricht Treaty, to the **European Community** (EC), an economic and political confederation of European nations, and other organizations (with the same member nations) that are responsible for a common foreign and security policy and for cooperation on justice and home affairs. In Dec., 2009, following the ratification of the Treaty of Lisbon, the EU officially replaced and succeeded the EC. Twenty-eight countries—Austria, Belgium, Bulgaria, Croatia, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany (originally West Germany), Great Britain (officially in the process of withdrawing as of 2017), Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, and Sweden—are full members of the organizations of the EU.

**Organizational Structure**

The former EC, which formed the core of the EU, originally referred to the group of Western European nations that belonged to each of three treaty organizations—the European Coal and Steel Community (ECSC), the European Economic Community (EEC), and the European Atomic Energy Community (Euratom). In 1967 these organizations were consolidated under a comprehensive governing body composed of representatives from the member nations; further modifications since then have established the institutions of the EU as the European Parliament, the European Council, the Council of the European Union, the European Commission, and the Court of Justice of the European Union, the European Central Bank (see European Monetary System), and the Court of Auditors.

Although the EU has no single seat of government, many of its most important offices are in Brussels, Belgium. The European Commission is headquartered there, as is the European Council and the Council of the European Union; it is also where the various committees of the European Parliament generally meet to prepare for the monthly sessions in Strasbourg, France. The European Central Bank is in Frankfurt, Germany; the Court of Justice and the Court of Auditors are in Luxembourg, Luxembourg.

**Evolution**

The history of the EU began shortly after World War II, when there developed in Europe a strong revulsion against national rivalries and parochial loyalties. While postwar recovery was stimulated by the Marshall Plan, the idea of a united Europe was held up as the basis for European strength and security and the best way of preventing another European war. (This last motivation in particular informed the awarding of the 2012 Nobel Peace Prize to the European Union, which also mentioned the EU's fostering of democracy in its member nations.) In 1950 Robert Schuman, France's foreign minister, proposed that the coal and steel industries of France and West Germany be coordinated under a single supranational authority. France and West Germany were soon joined by four other countries—Belgium, Luxembourg, the Netherlands, and Italy—in forming (1952) the ECSC. The EEC (until the late 1980s it was known informally as the Common Market) and Euratom were established by the Treaty of Rome in 1958. The EEC, working on a large scale to promote the convergence of national economies into a single European economy, soon emerged as the most significant of the three treaty organizations.
The Brussels Treaty (1965) provided for the merger of the organizations into what came to be known as the EC and later the EU. Under Charles de Gaulle, France vetoed (1963) Britain's initial application for membership in the Common Market, five years after vetoing a British proposal that the Common Market be expanded into a transatlantic free-trade area. In the interim, Britain had engineered the formation (1959) of the European Free Trade Association. In 1973 the EC expanded, as Great Britain, Ireland, and Denmark joined. Greece joined in 1981, and Spain and Portugal in 1986. With German reunification in 1990, the former East Germany also was absorbed into the Community.

The Single European Act (1987) amended the EC's treaties so as to strengthen the organization's ability to create a single internal market. The Treaty of European Union, signed in Maastricht, the Netherlands, in 1992 and ratified in 1993, provided for a central banking system, a common currency to replace the national currencies (the euro), a legal definition of the EU, and a framework for expanding the EU's political role, particularly in the area of foreign and security policy. The member countries completed their move toward a single market in 1993 and agreed to participate in a larger common market, the European Economic Area (est. 1994), with most of the European Free Trade Association (EFTA) nations. In 1995, Austria, Finland, and Sweden, all former EFTA members, joined the EU, but Norway did not, having rejected membership for the second time in 1994.

A crisis within the EU was precipitated in 1996 when sales of British beef were banned because of "mad cow disease" (see prion). Britain retaliated by vowing to paralyze EU business until the ban was lifted, but that crisis eased when a British plan for eradicating the disease was approved. The ban was lifted in 1999, but French refusal to permit the sale of British beef resulted in new strains within the EU. In 1998, as a prelude to their 1999 adoption of the euro, 11 EU nations established the European Central Bank. The euro was introduced into circulation in 2002 by 12 EU nations; additional EU nations have since adopted it.

The EU was rocked by charges of corruption and mismanagement in its executive body, the European Commission (EC), in 1999. In response the EC's executive commission including its president, Jacques Santer, resigned, and a new group of commissioners headed by Romano Prodi was soon installed. In actions taken later that year the EU agreed to absorb the functions of the Western European Union, a comparatively dormant European defense alliance, thus moving toward making the EU a military power with defensive and peacekeeping capabilities.

The installation in Feb., 2000, of a conservative Austrian government that included the right-wing Freedom party, whose leaders had made xenophobic, racist, and anti-Semitic pronouncements, led the other EU members to impose a number of sanctions on Austria that limited high-level contacts with the Austrian government. Enthusiasm for the sanctions soon waned, however, among smaller EU nations, and the issue threatened to divide the EU. A face-saving fact-finding commission recommended ending the sanctions, stating that the Austrian government had worked to protect human rights, and the sanctions were ended in September.

In 2003 the EU and ten non-EU European nations (Estonia, Latvia, Lithuania, Poland, the Czech Republic, Slovakia, Hungary, Slovenia, Cyprus, and Malta) signed treaties that resulted in the largest expansion of the EU the following year, increasing the its population by 20% and its land area by 23%. Most of the newer members were significantly poorer than the largely W European older members. The old and new member nations at first failed to agree on a constitution for the organization; the main stumbling block concerned voting, with Spain and Poland reluctant to give up a weighted system of voting
scheduled for 2006 that would give them a disproportionate influence in the EU relative to their populations. In Oct., 2004, however, EU nations signed a constitution with a provision requiring a supermajority of nations to pass legislation. The constitution, which needed to be ratified by all members to come into effect, was rejected by voters in France and the Netherlands in 2005, leading EU leaders to pause in their push for its ratification.

Meanwhile, in 2003 the EU embarked, in minor ways, on its first official military missions when EU peacekeeping forces replaced the NATO force in Macedonia and were sent by the United Nations to Congo (Kinshasa); the following year the EU assumed responsibility for overseeing the peacekeepers in Bosnia. EU members also took steps toward developing a common defense strategy independent of NATO, and agreed in 2004 to admit Bulgaria and Romania in 2007. José Manuel Barroso succeeded Prodi as president of the European Commission late in 2004. Accession talks with Turkey were partially suspended in Dec., 2006, over the issue of Turkish relations with Cyprus because Turkey was unwilling to open its ports to Cypriot trade unless the EU eased its trade restrictions on North Cyprus.

The EU opted for incremental reforms over a new constitution in 2007, when member nations signed the Lisbon Treaty. The treaty reorganized the European Council, established an elected president of the European Council and a single EU foreign policy official, and reformed the EU's system of voting, among other changes. (The reforms were phased in through 2017.) In June, 2008, however, Irish voters—the only national electorate given the opportunity to ratify the treaty—rejected it in a referendum, a potentially fatal setback. A year later, however, EU nations agreed on a number of guarantees to the Irish Republic that were designed to lead to a new Irish referendum on the treaty (several other nations also received various exemptions). Irish voters approved the treaty in a revote in Oct., 2009; ratification was completed the following month; and the treaty came into force in Dec., 2009.

Weaknesses in an EU system in which economic and monetary integration was not bolstered by political unity were revealed by the economic crisis of 2008, when measures such as bank-deposit guarantees adopted by some euro nations forced most EU nations to adopt similar measures in order to avoid bank runs. Eurozone nations were unable to agree on a common approach to the crisis and resulting recession, and subsequent high budget deficits in Greece and some other eurozone countries strained the monetary union and forced eurozone nations to adopt sometimes stringent austerity programs. At the same time, however, many non-euro European nations, whether members of the EU or not, found their financial systems stressed, at least initially, to a greater degree by the crisis than many euro nations did. In 2010 the effects of the crisis forced EU nations and the IMF to adopt a $950 billion package to aid financially troubled eurozone nations and support the euro; additional measures were adopted and additional funds set aside in 2011 and 2012, and in Oct., 2012, the eurozone's permanent European Stability Mechanism was established.

By 2011 Greece, then Ireland, and later Portugal had been forced to accept international rescue packages, and they and some other EU nations were forced to adopt significant austerity budgets that led in many cases to economic recession, increased unemployment, and further budget deficits. In Mar., 2012, all but two EU nations (Britain and the Czech Republic) signed an agreement intended prevent future budget crises, though many criticized the accord for emphasizing budgetary discipline without consideration for its relationship to economic growth. Spain and Cyprus subsequently also sought international financial aid. At the same time, however, there was increasing public resistance to additional austerity measures in many hard-hit EU nations, and in the EU as a whole unemployment increased to record levels. In July, 2013, Croatia joined the EU.
In the 2014 elections for the European parliament, a number of parties on the far right and left that were strongly opposed to various aspects of the EU made significant gains, primarily in Great Britain, France, and Greece. Although pro-EU parties nonetheless won a significant majority of the seats, the vote was seen as a sign of increasing unhappiness with the EU within some of its member nations. The subsequent nomination of Jean-Claude Juncker to succeed Barroso as president of the European Commission was strongly opposed by Great Britain, who called for choosing someone less identified with increased EU integration, but nearly all EU nations supported his nomination, and he was easily elected to the post.

Negotiations in 2015 over Greece's ongoing economic difficulties and debt produced divisions in the European Union, most notably between Germany and France (with France unsuccessfully favoring a less hardline approach), that combined with economic divisions reinforced national political agendas and undermined the sense of common European purpose and integration. Relations among EU nations were also strained in 2015 as individual countries struggled to cope with and reacted to an influx of more than a million refugees and migrants from the Middle East and parts of Africa. Many EU nations reimposed border controls in an attempt to control or stop the influx, and by early 2016 thousands of refugees and migrants in Greece became essentially trapped there. Beginning in Apr., 2016, the EU began deporting people who had crossed into Greece from Turkey without following immigration procedures back to Turkey, and later in the year the EU established a border and coast guard agency to assist EU nations with policing their borders.

In June, 2016, a majority of British voters approved leaving the EU in a national referendum, and the unity of the EU and the eurozone came under increasing pressure from nationalist and populist movements in other member countries in subsequent months. Great Britain formally initiated the process of withdrawing from the EU in Mar., 2017. At the same time, the remaining 27 members signed the Rome Declaration, which recognized that further progress toward integration could proceed at different paces for different groups of nations. Later in 2017, 23 members signed a defense integration agreement.

Bibliography

See Diebold, W., The Schuman Plan (1959);
Heilbroner, R. L., Forging a United Europe (Public Affairs Pamphlet, 1961);
B. Morris; K. Boehm, ed., The European Community (1986);
H. Wallace; A. Ridley, Europe: The Challenge of Diversity (1986);
Burgess, M., Federalism and European Union (1989);
Roy, J., A Historical Dictionary of the European Union (2006);
James, H., Making the European Monetary Union (2012);
Brunnermeier, M. K. et al., The Euro and the Battle of Ideas (2016);
APA

Chicago

Harvard

MLA