

# TOWARDS EUROPEAN UNION



Europe  
on the move



Mario Ramos

In mid-February 1992, some 40 years after the birth of the European Community in the early 1950s, the 12 Member States signed the Treaty on European Union in Maastricht. After four decades of achievement but also a fair number of setbacks, this Treaty marks the beginning of a new stage in the European process.

Shared institutions and the pursuit of common goals have strengthened European cooperation, extending it gradually to new areas of economic and social life and, in the process, bringing States and individuals closer together.

Completion of the internal market for 345 million citizens at the beginning of 1993 will be a milestone on the path to European integration, with persons, goods, services and capital able to move freely within the Community.

The Treaty on European Union gives the Community new powers. It provides benefits for the man in the street by introducing Union citizenship. The powers of the European Parliament are extended and the democratic deficit is reduced.

*'Europe must look to itself economically, politically and culturally. Each Member State must come to realize that the European area, the web of dialogue and cooperation between us, will enable us to regain our strength and hence our identity.'*

Jacques Delors,  
President of the  
European  
Commission

Maastricht made it possible: on 9 and 10 December 1991 the European Council (seen here with Queen Beatrix) reached agreement on a Treaty on European Union; the Treaty was signed in mid-February 1992.



Belgia, AFP, Staff

By 1999 at the latest, there will be a currency union with the ecu as the common currency. A new fund is to be set up to redress economic imbalances, in particular between north and south. To enable the interests of the Community as a whole and of its Member States to be better represented on the world stage, the Economic Community is to be expanded into a political union with a common foreign and security policy.

Despite the new powers conferred on the Community, the diversity of the Member States and their regions which has developed over the years will be preserved in the Union and any unnecessary centralization avoided. Hence the explicit statement in the new Treaty that the Community may take action only if it is better able to achieve

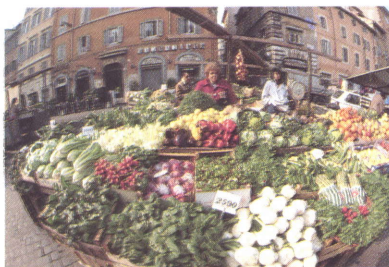
the objectives than a Member State or region (the much talked about principle of subsidiarity).

## NEW POWERS FOR THE EUROPEAN COMMUNITY

More and more matters directly affecting everyday life can now only be dealt with by the Member States working together. This is why the Community has been given further powers. These new areas include health protection, enabling the Twelve to join forces to combat diseases such as cancer or AIDS. The Community will also play a more active role in consumer protection. The competitiveness of Community industry on the world market will be strengthened through a common policy and an increase in research and development. Greater importance is to be placed on environmental protection. The Community will contribute to the establishment of trans-European transport, telecommunications and energy networks to bring the Member States closer together. A common visa policy

Specific Community measures will support and complement the consumer protection policies of the Member States.

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has been introduced to help the Community partners get to grips with the problem of rising immigration from non-member countries, particularly with a view to 1993 when checks on individuals travelling between Community countries are due to be abolished. Other areas in which the Community's powers have been extended include relations with developing countries, education and culture.

The Member States have also agreed to step up cooperation in the field of justice and home affairs. The main focus of attention here is to combat international crime, such as drug trafficking. A European police authority is in the pipeline. However, except for visa policy, this area does not yet fall within the jurisdiction of the Community, remaining for the time being a matter for cooperation between the governments of the Member States.

Social policy, too, is to be developed further at Community level, although for the time being the United Kingdom will not be taking part. In 1989 the UK was the only Member State not to sign the Charter of the Fundamental Social Rights of Workers. Hence the special agreement reached in Maastricht authorizing the other 11 to use the Community decision-making procedures and institutions provided for in the Treaty in their attempts to make further progress in the field of social policy.

## A PEOPLE'S UNION

The top priority of the European Union is to benefit the man in the street by abolishing internal frontiers, by introducing a single currency, and by conferring new powers on the Community. In addition to this, the Treaty on European Union introduces important citizens' rights, including the right to reside in any Member State



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and the right for citizens of the Union residing in a Community country other than their own to vote and to stand as candidates in municipal and European elections.

The Treaty also entitles Union citizens in a non-member country, in which their State of origin does not have an embassy or consulate, to claim the diplomatic or consular protection of any other Community State in the same way as its own nationals. The right to petition the European Parliament and the right to refer to an ombudsman appointed by Parliament are also guaranteed.

*To enable the economy and the man in the street to benefit fully from the frontier-free internal market, the trans-European transport, telecommunications and energy networks are to be expanded.*

*With a common visa policy the Member States of the Community are hoping to bring the rising immigration from non-member countries under control.*

*Only cross-frontier action to prevent the importation of drugs has any chance of success.*

*'Citizen of Europe' — European citizenship bestows certain rights, including the right to vote and to stand as a candidate in municipal elections.*

## What's new in the Treaty on European Union?

- A common European currency by 1999 at the latest.
- Rights for European citizens (Union citizenship).
- New powers for the European Community: A more active role in consumer protection; public health; visa policy; the establishment of trans-European transport, telecommunications and energy networks; Treaty provision for development cooperation; industrial policy; education; culture; greater importance for environmental protection; an increase in research and development; further progress on social policy (with the exception of the United Kingdom); cooperation in the field of justice and home affairs.
- Increased powers for the European Parliament: Involvement in the enactment of legislation; right of approval prior to appointment of the Commission; power of assent for all major international agreements.
- Introduction of a common foreign and security policy.



Jean Chyvaux



Bundesbildstelle, Bonn

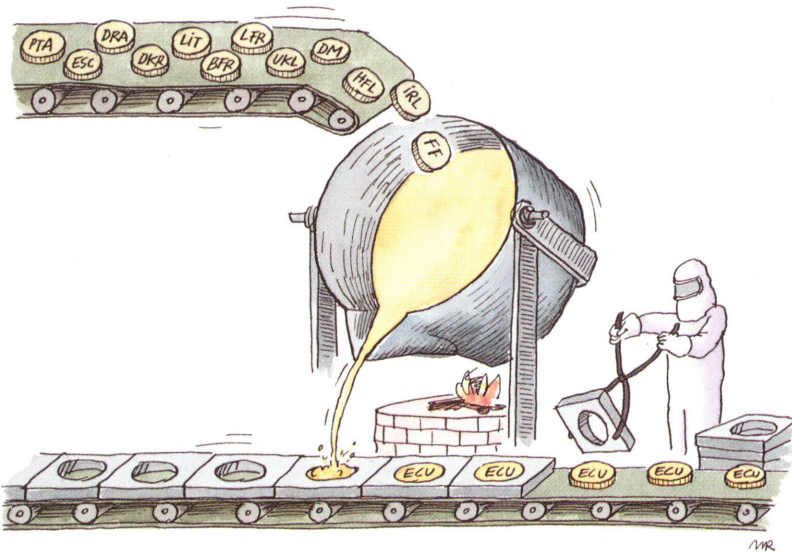
initiatives on the environment and consumer protection, public health, culture, and the establishment of trans-European transport, energy and telecommunications networks. If the Council and Parliament are unable to agree on a Community regulation or directive, a compromise has to be found by a special Conciliation Committee, on which both institutions are equally represented. Parliament has also been given the right to approve the Commission prior to its appointment. Starting in 1995, so that this right can be exercised more effectively, the Commission's term of office is to be extended from four years to five to coincide with that of Parliament. Major international agreements with important implications for the budgetary situation or the legislation of the Community now require the assent of Parliament. Finally, Parliament may now set up committees of inquiry, hear petitions from individuals, and appoint an ombudsman.

But there is still a long way to go before Parliament has full legislative powers. The intergovernmental conference to be convened in 1996 will discuss further moves in this direction.

## INCREASED POWERS FOR PARLIAMENT

The European Community needs to be more democratic. The shifting of more and more decisions and responsibility from the Member States and their national parliaments to the Community without adequate strengthening of parliamentary control at European level has produced the much criticized 'democratic deficit'. It is to counter this that the powers of the European Parliament have now been increased.

The new co-decision procedure now gives Parliament a full role to play alongside the Council in the enactment of legislation in certain areas. These include completion of the internal market, freedom of movement for workers, and some aspects of the right of establishment, as well as new



## THE ECU — A SINGLE CURRENCY

By the turn of the century the people of Europe will have a single currency, the ecu. The inconvenience and expense of changing money will be a thing of the past. The final stage of economic and monetary union (EMU) is to start by the beginning of 1999 at the latest. The exchange rates of the Member States' currencies will be irrevocably fixed, paving the way for the introduction of the ecu to replace national coins and banknotes. However, if in 1996 the conditions for the final stage of EMU are found to have been achieved already, the common currency could be introduced as early as 1997 or 1998.

The Member States have agreed a three-stage plan for the attainment of economic and monetary union. The first stage, which involves the large-scale easing of restrictions on capital movements and closer economic policy coordination, began in mid-1990. The start of the second stage is scheduled for the beginning of 1994. Its main purpose is to pave the way for transition to the final stage through closer alignment or convergence of the economic policies and the economies of the Member States. A European Monetary Institute is to be set up in the second stage, to be followed in the

final stage by the establishment of a European Central Bank responsible for monetary policy. The future European currency must be stable. Consequently, the primary economic objective written into the new Treaty by the Member States is price stability. Responsibility for maintaining this stability will lie primarily with the European Central Bank (ECB), which under monetary union will form, together with the central banks of the Member States, the European System of Central Banks (ESCB) and will be responsible for a single monetary policy. The ECB and the central banks may neither seek nor take instructions from politicians. They may not provide credit facilities to governments running a budget deficit.

*By the turn of the century, European citizens will have a single currency, the ecu, and the inconvenience and expense of changing money will be a thing of the past.*

*'Our Community is the fruit of history and necessity but of political will too.'*

Jacques Delors

### Broad approval

A few weeks before the Maastricht Summit on 9 and 10 December 1991, a Eurobarometer poll found that 85% of Community citizens felt Community affairs were 'important' or 'very important' for the future of their country, providing the highest approval rating ever. The percentage for whom Community policy was 'very important' had risen since spring 1991 in 10 Member States.

The economic policies of the Member States must also be geared to the stability of the European currency. Excessive budget deficits, which boost inflation, are to be avoided. If they do occur, the Community may issue warnings and impose fines or other sanctions. Only Member States with sound national economies, and above all price stability and sound public finances, may move on to the final stage of EMU.

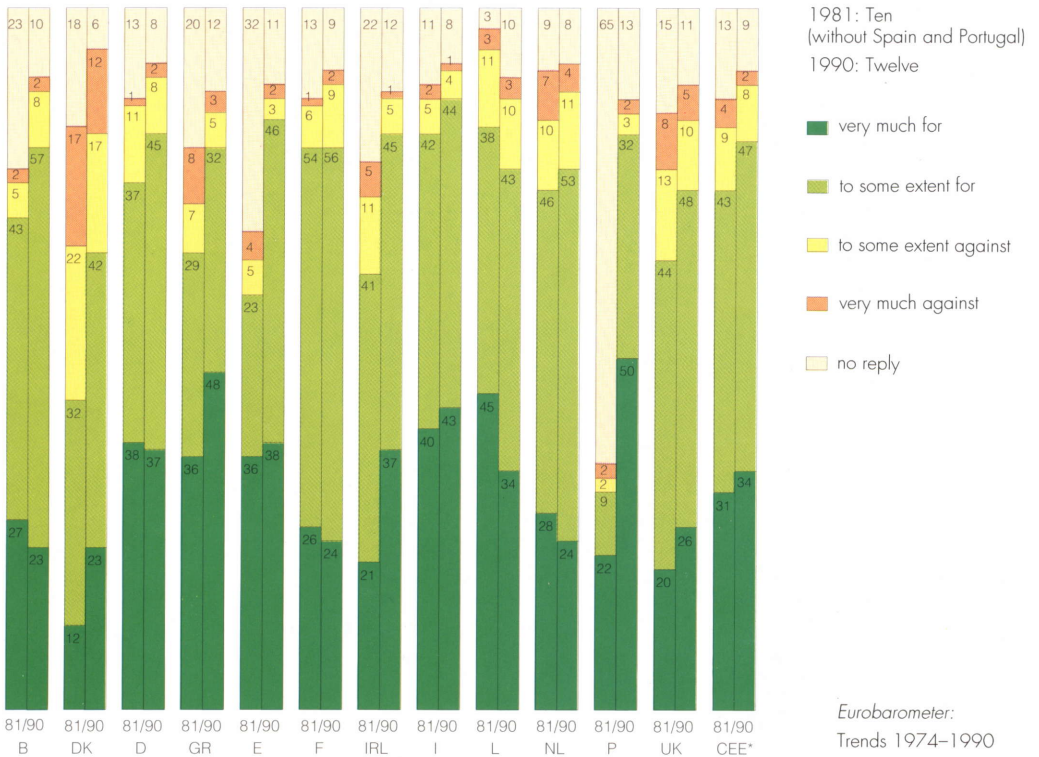
## ECONOMIC AND SOCIAL COHESION

Political union and economic and monetary union can only be achieved in the Community if, just as in an individual State, the wealthy regions show solidarity with the less wealthy ones and help gradually reduce the economic disparities. The Community's structural Funds (the European Social Fund, the European Regional Development Fund and the European Agricultural Guidance and Guarantee Fund) and the European Investment Bank are already working towards this goal — known in Community jargon as economic and social cohesion. The Treaty on European Union reaffirms the need for economic and social cohesion and considerably strengthens the

*'The concept of national sovereignty belongs to a past era, but it has not yet completely died out in the Member States of the Community. The time has come to recognize that it no longer provides the answers to the problems of the world we live in.'*

*Frans Andriessen,  
Vice-President of the  
European Commission*

THE EUROPEANS AND EUROPEAN UNIFICATION



*Eurobarometer:  
Trends 1974-1990*

*'The Community cannot replace the Member States, or regional and local authorities, or workers and employers. That would go against the most deeply rooted traditions in some countries. It would even run counter to our ultimate goal. We cannot build Europe — in economic, regional and social terms — from the top down; we have to build from the bottom up. That is why the Commission attaches so much importance to the principles of subsidiarity, partnership and a step-by-step approach. The trend, then, is away from centralization towards a wider sharing of responsibilities.'*

Jacques Delors

existing measures. A new Cohesion Fund is to be set up alongside the existing Funds to help finance environmental protection projects and major transport links in the less prosperous countries. The Community will also be more flexible in future when it comes to allocating structural resources and will take account of the budgetary situation of the less prosperous Member States. The Community revenue system is also to be made more sensitive to the ability to pay of the countries lagging behind economically.

## A COMMON FOREIGN AND SECURITY POLICY

Primarily an economic power up until now, the European Community has had only limited scope for joint decision-making on foreign policy matters within European political cooperation. To promote the identity of the European Union and better represent the interests of its members on the international stage, a common policy is now being developed to cover all areas of foreign and security policy, eventually to include defence.

General foreign and security policy guidelines are to be laid down by the European Council (consisting of the Heads of State or Government of the Member States). On the basis of the guidelines, the Council of Ministers can decide whether a matter should be the subject of joint action; this then commits the Member States in their positions and conduct on the international stage. Although foreign policy action must be adopted unanimously, the Council can lay down certain areas in which implementing decisions can be taken by qualified majority (i.e. under a system whereby individual Member States have a different number of votes depending on their size). The areas proposed for joint action in the first instance are:

- the CSCE process (Conference on Security and Cooperation in Europe, a common European security system which has grown up since the 1970s);
- the policy of disarmament and arms control in Europe, including confidence-building measures;
- nuclear non-proliferation issues;
- the economic aspects of security, in particular control of the transfer of military technology to third countries and control of arms exports.

This list will be added to in due course.

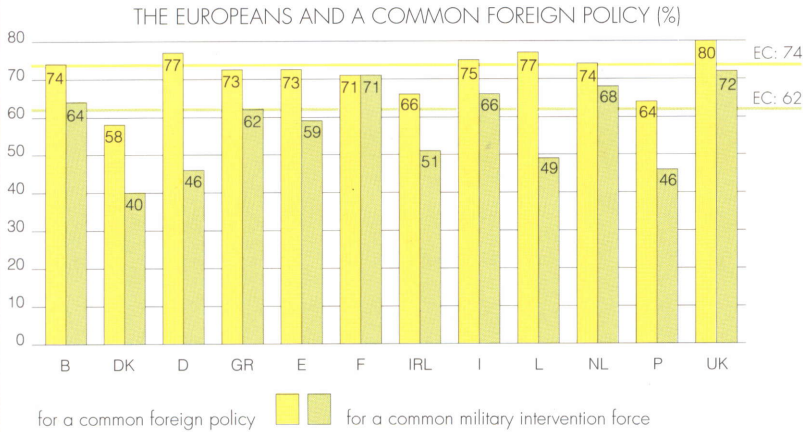


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*As the Community evolves into a Union, a common security policy is to be developed; Franco-German cooperation in this field (the Franco-German brigade in Böblingen) could serve as a model for future joint forces.*

## Joint action in international crises

The chart shows the findings of an opinion poll conducted during the Gulf crisis in spring 1991. Support for joint action ranged from 80% of interviewees in the United Kingdom to 58% in Denmark; the Community average was 74%. On the creation of a European intervention force, 62% were in favour, 11% more than in autumn 1990.



Source: Eurobarometer No 35, spring 1991.

Security policy in Europe was previously primarily a matter for NATO, the Atlantic Alliance. Its members are the USA, Canada, all the Community countries except Ireland, and three other European States (Turkey, Norway and Iceland). A further mutual assistance pact, Western European Union (WEU), was formed in Europe after the Second World War. All the Community countries except Greece, Denmark and Ireland are members. WEU is now to be developed as the defence arm of the Community, formulating and implementing a common European defence policy and working in cooperation with NATO. Greece, Denmark and Ireland have been invited to join WEU and Turkey, Norway and Iceland are to have closer ties as associate members. The Community will convene an intergovernmental conference in 1996 to discuss further steps towards a common foreign and security policy.

And so, some 40 years after its birth, the European Community is now steering a steady course towards European Union.

*'What was achieved at Maastricht can be summed up quite simply as more effective European policies and more democratic institutions.'*

*Christiane Scrivener,  
Member of the  
Commission of the  
European Communities*

*'But the Community is much more than a large market. It is a frontier-free economic and social area on the way to becoming a political union entailing closer cooperation on foreign policy and security. The marriage contract, as it were, is indissoluble.'*

*Jacques Delors*





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This booklet is part of the *European File* series and appears in all the official Community languages — Danish, Dutch, English, French, German, Greek, Italian, Portuguese and Spanish.

**Commission of the European Communities**

Directorate-General for Audiovisual, Information, Communication and Culture  
Editor: Publications Unit, rue de la Loi 200, B-1049 Brussels

Manuscript completed in February 1992

Cover photo: Bundesbildstelle, Bonn — Drawings: Mario Ramos

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Printed in Germany

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Office for Official Publications  
of the European Communities  
L-2985 Luxembourg

ISSN 0379-3133

Catalogue number: CC-60-91-717-ENC