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Their co-editor until his death in July 1999, **Vincent Wright**, was a Fellow of Nuffield College, Oxford University. He played an immensely valuable role in the founding and development of *The European Union Series* and is greatly missed.

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A Concise Introduction

Second Edition

John McCormick

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List of Abbreviations

ACP	African, Caribbean, Pacific
CAP	Common Agricultural Policy
CFSP	Common Foreign and Security Policy
CoR	Committee of the Regions
COREPER	Committee of Permanent Representatives
DG	directorates-general
EAGGF	European Agricultural Guidance and Guarantee Fund
EC	European Community
ECSC	European Coal and Steel Community
ecu	European Currency Unit
EDC	European Defence Community
EEA	European Economic Area
EEC	European Economic Community
EFTA	European Free Trade Association
EMS	European Monetary System
EMU	economic and monetary union
EP	European Parliament
EPC	European Political Cooperation
ERDF	European Regional Development Fund
ERM	Exchange Rate Mechanism
ESF	European Social Fund
EU	European Union
G8	Group of Eight industrialized countries
GAC	General Affairs Council
GDP	gross domestic product
GNP	gross national product
IGC	intergovernmental conference
IGO	intergovernmental organization
IO	international organization
MEP	Member of the European Parliament
NAFTA	North American Free Trade Agreement
NATO	North Atlantic Treaty Organization
OECD	Organization for Economic Cooperation and Development
OEEC	Organization for European Economic Cooperation
PR	proportional representation
SAP	Social Action Programme
SEA	Single European Act
TEN	trans-European network
VAT	value-added tax
WEU	Western European Union

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Introduction

The creation of the European Union will go down in history as one of the most remarkable achievements of the twentieth century. In the space of just forty years – less than two generations – Europeans fought two appalling wars among themselves, finally appreciated the dangers of nationalism and the futility of violence, and sat down to design a system that would make it inconceivable that they would ever take up arms against each other again.

The results have been substantial. A set of treaties, laws and institutions has been created that has altered the political, economic and social landscape of western Europe. They have changed the way Europeans relate to each other, made Europe into a new economic superpower, and helped bring to the region the longest uninterrupted spell of general peace in its recorded history. The European Union is the world's biggest trading bloc, is one of the two largest markets in the world, has adopted a common currency, and has planted the seeds of a common foreign and defence policy.

Of course not everyone agrees that European integration has been a good idea, nor is everyone ready to give it credit for bringing peace to the region. Europeans have mixed opinions about the wisdom of shifting powers from the member states to a new level of government, and while opinion polls show that about half approve of the European Union, the other half either disapproves or is not yet sure what to think. Critics point accusing fingers at 'interfering Eurocrats', and worry about the costs of giving authority to institutions that are often secretive and unaccountable. They also question the extent to which integration can be credited with the economic growth and prosperity that has come to western Europe since 1945.

But like it or not, the European Union is here to stay. The changes it has brought have spun a web of links among the states of western Europe that would be difficult to unravel. Free trade and the free movement of people have dissolved the barriers that for so long reminded Europeans of their differences, and while national and regional identities are still alive and well, they no longer threaten to bring conflict or war.

Under the circumstances, Europeans are having to learn about the nature and structure of the European Union. Fifteen years ago it was only a marginal factor in most of their lives, but with the completion of the single market, the adoption of the euro, and moves towards a common foreign policy it has become difficult to ignore. Where once they could be

ignored, it has now become important to understand the powers of the European institutions, the content of the treaties, and the meaning of concepts such as structural funds, cohesion and the democratic deficit.

This is an introductory book about the European Union, written for anyone who wants to understand how it works and what it means for the 375 million people who live under its jurisdiction. Unfortunately confusion seems to be the order of the day – Europe has been busy integrating itself for nearly fifty years, but three in four of its inhabitants confess to a poor understanding of the EU, its policies and its institutions, and about one in eight admit that they know nothing at all about how it works (see Box 6.1 on page 145).

This is a worrying state of affairs. As long as the confusion persists, Europeans will keep their distance from the EU, integration will continue to be driven by the elites who have made most of the major decisions since the outset, and the values and priorities of the European people may not be reflected in those decisions. A common criticism of the EU is that it is undemocratic, and that bureaucrats have too much power and too little accountability – but little will change unless Europeans learn how it works, and increase the pressure for accountability.

From my vantage point as a British citizen living in the United States, I have watched with fascination as my fellow Europeans have strengthened their bonds, and with concern as so many have admitted their doubts about the consequences. My annual trips back to Europe have allowed me to compare public and media responses to the EU on both sides of the Atlantic, and to gain the kind of perspective that distance often allows. At the same time my students at Indiana University have presented me with the challenge of convincing them why they should care about something that is happening 4000 miles away.

Part of that challenge involved finding a book that explained the EU clearly and approachably, but while publishing on the EU has been a major growth industry in recent years, there are remarkably few books that really introduce the EU, and even fewer that successfully convey the significance of the EU. Too many authors become bogged down in treaty articles and Eurojargon, and – the worst sin of all – they often make one of the most fascinating developments in European history sound dull and bureaucratic.

These problems prompted me to write *The European Union: Politics and Policies*, which was published in 1996 by Westview Press and aimed mainly at college and university classes on the EU in the United States and Canada. In 1997, Steven Kennedy at Palgrave asked me to write a shorter book that was more introductory and broad-ranging, and aimed at a wider readership. The first edition of *Understanding the European Union* was published in 1999, its main goal being to demystify the European Union, to

help readers come to grips with this strange new economic and political entity, and to do this all as clearly and as concisely as possible.

Apparently it struck a note, and it was very gratifying to hear from Steven in 2000 that a second edition was needed, bringing in the changes made by the Treaty of Nice, and covering the adoption of the euro and the upcoming enlargement to central and eastern Europe. Like its precursor, this second edition includes all the important details about how the EU works and what it does, and provides context by introducing, explaining and assessing the history of the EU, the goals and motives behind European integration, the impact of integration on the member states, the changes the EU has made to the lives of Europeans and the long-term implications of the European experiment. It also provides critical analysis of the EU, offering thoughts on where it has done well and not so well, and on where improvements need to be made.

This second edition has been thoroughly revised and updated, and large parts of it have been fine-tuned in response to comments from reviewers and from instructors who have used it in their classes, and in light of developments since the first edition. Several new sections have been added, several boxes have been replaced, and the arguments and analysis have been developed.

Above all, *Understanding the European Union* is an introduction, and it does not set out to cover every aspect of European integration in depth. It is a survey of key developments, institutions, and policies. It takes a broad view, offering some depth where necessary, but ultimately providing a route map to the rapidly growing number of more specialist studies of the many different facets of the EU.

Chapter 1 looks at the nature of regional integration, exploring the motives behind international cooperation, showing how the EU is different from conventional international organizations, and placing it in context by briefly describing several other exercises in regional integration around the world.

Chapter 2 provides historical background by discussing the evolution of the idea of Europe, and showing how the terms 'Europe' and 'European' have changed and evolved. The chapter also includes a political, economic and social survey of Europe today, which serves as a foundation for the discussions about integration in later chapters.

Chapter 3 offers a short history of European integration since 1945. It describes and explains the different steps in the process, from the creation of the European Coal and Steel Community, through the treaties of Rome, Maastricht and Nice, to the completion of the single market and adoption of the euro.

Chapter 4 looks at the five major European institutions – the Commission, the Council of Ministers, the European Council, the European

Parliament and the Court of Justice – and explains how they are structured, how they function, how they relate to one another and how they fit into the process of making European law and policy.

Chapter 5 assesses the relationship between the EU and its member states, and the changing character of the EU. It looks at the constitutional issues raised by integration, and illustrates the effects of integration by looking at developments in regional and environmental policy, explaining what they have meant for the member states.

Chapter 6 does much the same for the relationship between the EU and its citizens. It looks at the problem of the democratic deficit and examines the impact that EU policies on citizenship, culture, workers' rights, unemployment and worker mobility have had on the lives of Europeans, ending with a discussion of the need for democratic reform.

Chapter 7 focuses on the economic impact of European integration, with particular emphasis on the changes that have resulted from the single market programme. It looks at the ups and downs of the Common Agricultural Policy, and finishes with an assessment of the implications of the introduction of the euro.

Chapter 8 puts the European Union in a global context. The chapter begins with a survey of the attempts that have been made to develop a European foreign and defence policy, then assesses the role of the EU as the world's newest economic superpower and looks at the EU's relations with different regions of the world.

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The students in my classes have been the most important influence on this book because it was written mainly with the needs of students in mind. So I want to thank them for providing the points of reference that helped me decide what to include, what to leave out and what questions to address. I would also like to thank Steven Kennedy for his usual excellent judgement and for his advice and prodding on this second edition. My thanks also to Neill Nugent and Willie Paterson for their work as series editors, to John Peterson for his comments, and to all the production staff at Palgrave. Finally my thanks and love to Leanne for her support, and to our son Ian for providing me with plenty of happy diversions from the PC. He was born in April 2001, just as I was beginning work on this second edition, so it is dedicated to him in the hope that he grows up to be as much a European as an American.

JOHN McCORMICK

Map 1 *The EU*