## **European Union** (excerpts from the Wikipedia article *European Union*)

After World War II, moves towards European integration were seen by many as an escape from the extreme forms of nationalism that had devastated the continent. The 1948 Hague Congress was a pivotal moment in European federal history, as it led to the creation of the European Movement International and also of the College of Europe, a place where Europe's future leaders would live and study together. 1952 saw the creation of the European Coal and Steel Community, which was declared to be "a first step in the federation of Europe", starting with the aim of eliminating the possibility of further wars between its member states by means of pooling the national heavy industries. The founding members of the Community were Belgium, France, Italy, Luxembourg, the Netherlands, and West Germany. The originators and supporters of the Community include Alcide De Gasperi, Jean Monnet, Robert Schuman, and Paul-Henri Spaak.

Throughout the 1960s, tensions began to show with France seeking to limit supranational power. However, in 1965, an agreement was reached and hence in 1967, the Merger Treaty was signed in Brussels. It came into force on 1 July 1967 and created a single set of institutions for the three communities, which were collectively referred to as the *European Communities* (EC), although commonly just as the *European Community*. Jean Rey presided over the first merged Commission (Rey Commission).

In 1973, the Communities enlarged to include Denmark (including Greenland, which later left the Community in 1985, following a dispute over fishing rights), Ireland, and the United Kingdom. Norway had negotiated to join at the same time, but Norwegian voters rejected membership in a referendum. In 1979, the first direct, democratic elections to the European Parliament were held.

Greece joined in 1981; Portugal and Spain in 1986. In 1985, the Schengen Agreement led the way toward the creation of open borders without passport controls between most member states and some non-member states. In 1986, the European flag began to be used by the Community and the Single European Act was signed.

In 1990, after the fall of the Eastern Bloc, the former East Germany became part of the Community as part of a reunited Germany. With further enlargement planned for former communist states, Cyprus, and Malta, the Copenhagen criteria for candidate members to join the EU were agreed upon in June 1993.

The European Union was formally established when the Maastricht Treaty—whose main architects were Helmut Kohl and François Mitterrand—came into force on 1 November 1993. In 1995, Austria, Finland, and Sweden joined the EU. In 2002, euro banknotes and coins replaced national currencies in 12 of the member states. Since then, the Eurozone has increased to encompass 18 countries. In 2004, the EU saw its biggest enlargement to date when Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, and Slovenia joined the Union.

On 1 January 2007, Romania and Bulgaria became EU members. In the same year, Slovenia adopted the euro, followed in 2008 by Cyprus and Malta, by Slovakia in 2009, by Estonia in 2011 and by Latvia in 2014. In June 2009, the European Parliament elections were held, leading to the second Barroso Commission, and by July, Iceland formally applied for EU membership, but has since suspended negotiations.

The European Union received the 2012 Nobel Peace Prize for having "contributed to the advancement of peace and reconciliation, democracy, and human rights in Europe." On 1 July 2013,

Croatia became the 28th EU member. The 8th European Parliament election in May 2014 saw Eurosceptic parties gain a larger vote share than previous elections.

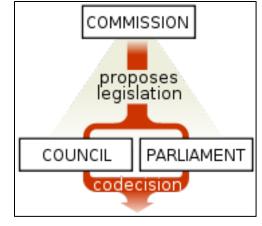
Through successive enlargements, the Union has grown from the six founding states — Belgium, France, West Germany, Italy, Luxembourg, and the Netherlands — to the current 28. Countries accede to the union by becoming party to the founding treaties, thereby subjecting themselves to the privileges and obligations of EU membership. This entails a partial delegation of sovereignty to the institutions in return for representation within those institutions, a practice often referred to as "pooling of sovereignty".

To become a member, a country must meet the Copenhagen criteria, defined at the 1993 meeting of the European Council in Copenhagen. These require a stable democracy that respects human rights and the rule of law; a functioning market economy; and the acceptance of the obligations of membership, including EU law. Evaluation of a country's fulfillment of the criteria is the responsibility of the European Council. No member state has ever left the Union, although Greenland (an autonomous province of Denmark) withdrew in 1985. The Lisbon Treaty now contains a clause providing for a member to leave the EU.

There are six countries that are recognized as candidates for membership: Albania, Iceland, Macedonia, Montenegro, Serbia, and Turkey. However, on 13 June 2013, Iceland's Foreign Minister, Gunnar Bragi Sveinsson, informed the European Commission that the newly elected government intended to "put negotiations on hold". Bosnia and Herzegovina and Kosovo are officially recognized as potential candidates, but none have submitted a membership application. Due to the lack of recognition by five of the 28 EU member states, the European Commission refers only to "Kosovo\*", with an asterisked footnote containing the text agreed to by the Belgrade—Pristina negotiations: "This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of Independence."

The European Union has seven institutions: the European Parliament, the Council of the European Union, the European Commission, the European Council, the European Central Bank, the Court of Justice of the European Union and the European Court of Auditors. Competencies in scrutinizing and

amending legislation are divided between the European Parliament and the Council of the European Union while executive tasks are carried out by the European Commission and, in a limited capacity, by the European Council (not to be confused with the aforementioned Council of the European Union). The monetary policy of the Eurozone is governed by the European Central Bank. The interpretation and the application of EU law and the treaties are ensured by the Court of Justice of the European Union. The EU budget is scrutinized by the European Court of Auditors. There are also a number of ancillary bodies that advise the EU or operate in a specific area.



EU member states retain all powers not explicitly handed to the European Union. In some areas the EU enjoys exclusive competence. These are areas in which member states have renounced any capacity to enact legislation. In other areas the EU and its member states share the competence to legislate. While both can legislate, member states can only legislate to the extent to which the EU has not. In other policy areas the EU can only co-ordinate, support and supplement member state action but cannot enact legislation with the aim of harmonizing national laws.

The European Union does not have one unified military. The predecessors of the European Union were not devised as a strong military alliance because NATO was largely seen as appropriate and sufficient for defense purposes. 22 EU members are members of NATO while the remaining member states follow policies of neutrality. The Western European Union, a military alliance with a mutual defense clause, was disbanded in 2010 as its role had been transferred to the EU.

Two of the original core objectives of the European Economic Community were the development of a common market, subsequently renamed the single market, and a customs union between its member states. The single market involves the free circulation of goods, capital, people, and services within the EU, and the customs union involves the application of a common external tariff on all goods entering the market. Once goods have been admitted into the market they cannot be subjected to customs duties, discriminatory taxes or import quotas, as they travel internally. The non-EU member states of Iceland, Norway, Liechtenstein and Switzerland participate in the single market but not in the customs union. Half the trade in the EU is covered by legislation harmonized by the EU. Free movement of capital is intended to permit movement of investments such as property purchases and buying of shares between countries.

The free movement of persons means that EU citizens can move freely between member states to live, work, study or retire in another country. This required the lowering of administrative formalities and recognition of professional qualifications of other states.

The creation of a European single currency became an official objective of the European Economic Community in 1969. However, it was only with the advent of the Maastricht Treaty in 1993 that member states were legally bound to start the monetary union no later than 1 January 1999. On this date the euro was duly launched by eleven of the then 15 member states of the EU. It remained an accounting currency until 1 January 2002, when euro notes and coins were issued and national currencies began to phase out in the Eurozone, which by then consisted of 12 member states. The Eurozone (constituted by the EU member states which have adopted the euro) has since grown to 19 countries, the most recent being Lithuania, which joined on 1 January 2015.

All other EU member states, except Denmark and the United Kingdom, are legally bound to join the euro when the convergence criteria are met, however only a few countries have set target dates for accession. Sweden has circumvented the requirement to join the euro by not meeting the membership criteria.

The euro is designed to help build a single market by, for example: easing travel of citizens and goods, eliminating exchange rate problems, providing price transparency, creating a single financial market, price stability and low interest rates, and providing a currency used internationally and protected against shocks by the large amount of internal trade within the Eurozone. It is also intended as a political symbol of integration and stimulus for more. Since its launch the euro has become the second reserve currency in the world with a quarter of foreign exchanges reserves being in euro.