

# Is Europe failing?

**Noëlle Lenoir**

**Of Counsel Debevoise and Plimpton  
Former minister of European Affairs  
President of HEC EU Institute**

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# EUROPEAN IDENTITY

European Union <sup>1</sup>	
	
<a href="#">European flag</a>	
<i>Motto: <a href="#">In varietate concordia</a> (<a href="#">Latin</a>: <i>Unity in diversity</i>)</i>	
<i>Anthem: <a href="#">Ode to Joy</a> (orchestral)</i>	
	
<a href="#">Official languages</a>	20 <a href="#">Languages of the European Union</a> <sup>2</sup>
<a href="#">Council's President</a>	<a href="#">Changes every six months</a>
<a href="#">Commission President</a>	<a href="#">José Manuel Durão Barroso</a>
<a href="#">Parliament's President</a>	<a href="#">Josep Borrell</a>

# AGENDA

- A. How did it begin?
- B. How does it work?
- C. What does it do?
- D. Enlargement
- E. The constitutional challenge

# A. HOW DID IT BEGIN?

- ◆ A ceremony exclusively for men!



# A POST WAR POLITICAL PROJECT

Its aims :

- Peace and reconciliation
- Democracy and the rule of law
- Prosperity and solidarity

# A COLD WAR POLITICAL NECESSITY

## Supported by the US

- To accelerate economic recovery (Marshall Plan)
- To enhance political stability (stabilization of national democratic institutions)

# THE ECD TREATY'S FAILURE (1954)

- ◆ Drafted in 1952, it was aimed at building up forces able to face a Red Army invasion;
- ◆ Its rejection by the French National Assembly in 1954, after it had been ratified by the five other European Countries concerned, can be deemed the first lost opportunity in the history of European integration.

# THE EEC TREATY AS SUBSTITUTE TO EUROPE'S INTEGRATION (1957)

- ◆ The establishment of a “common market” based on the free movement of goods, services, persons and capital;
- ◆ The creation of very original institutions : federal as well as intergovernmental

# B. HOW DOES IT WORK?



# FEDERAL INSTITUTIONS

- ◆ EU Parliament
  - 732 Representatives directly elected by the citizens
  - A legislative Chamber
  
- ◆ EU Commission
  - One commissioner per Member State (MS)
  - Has the monopoly of legislation's proposal
  
- ◆ EU Court of Justice
  - One judge from each MS plus eight advocates general
  - Reviews the legality of EU laws and ensures that MS fulfill their obligations
  
- ◆ European Central Bank and single currency
  - Belongs to the Central Banks System along with National Central Banks
  - Conducts the EU monetary policy (euro)

# INTERGOVERNMENTAL IMPETUS

- ◆ EU Council
  - Heads of state or government of the MS
  - Defines general political directions and priorities
  
- ◆ EU Council of ministers (de jure or de facto - EC's chief decision-making body)
  - Representatives of MS at ministerial level
  - Essentially a legislative body

# A MIXED VOTING SYSTEM

## ◆ Unanimity

- Foreign and security policy
- Defense policy
- Tax policy
- Social security and public healthcare
- Justice and home affairs

## ◆ Majority

- Almost all economic matters



# THE 2006 BUDGET

- ◆ Competitiveness and Cohesion: 39 %
- ◆ Natural resources:
  - Agriculture 36 %
  - Rural development and Environment 11 %
- ◆ Citizenship, freedom, security and justice: 1 %
- ◆ The EU as a global partner: 7 %
- ◆ Other expenditure including administrative expenditure: 6 %

TOTAL : 121 Billion euros

# MAIN EU POLICIES

- Market-building policies
  - Internal Market
  - Competition
  - Economic and Monetary Union
  
- Market-correcting policies
  - CAP and common fisheries policy
  - Cohesion policy
  - Environment, protection of consumers, social policy
  
- Non Market policies
  - Justice and
  - Home Affairs policies
  
- External policies
  - Trade
  - Foreign policy
  - Defense

# THE LARGEST ECONOMY IN THE WORLD

- ◆ Its size in 2006
  - 460 million inhabitants
  - 4 millions km<sup>2</sup>
- ◆ Its GDP in 2005
  - 13 000 billions US dollars (2005)
  - With great differences: Luxembourg (76 000 USD per capita) versus Latvia (8 400) or Bulgaria (3 700)
- ◆ Its average growth in 2006
  - 2% in Western MS
  - 5% in Eastern MS

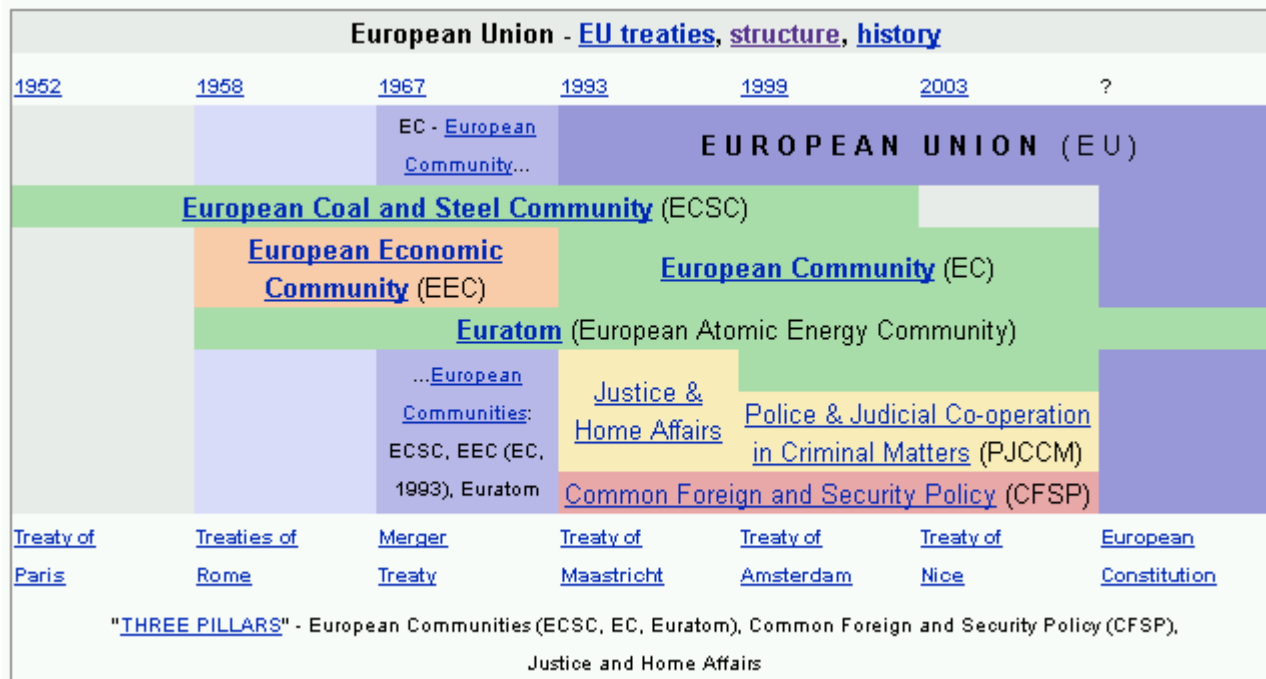
# D. ENLARGEMENT

- ◆ Unification of the continent
- ◆ Requirements to access to the EU
  - Democracy, the rule of law, human rights and minority rights' protection
  - A functioning market economy and the capacity to cope with competitive pressure

# THE EU FRONTIERS ?

- ◆ Acceding countries: Bulgaria and Romania
- ◆ Candidate countries: Croatia; Macedonia; Turkey
- ◆ Future candidate countries: Montenegro; Bosnia-Herzegovina; Serbia; Albania
- ◆ Those who would like...: Ukraine, Georgia.

# E. THE CONSTITUTIONAL CHALLENGE



# THE DOUBLE NO VOTE IN FRANCE AND THE NETHERLANDS

- ◆ A Constitutional process, based on a Treaty, deemed be an unprecedented attempt to listen to the citizens
- ◆ A No vote based on domestic and not only European concerns, and on fear of globalization and international competition
- ◆ A major impact on the European construction

# IS THE EU CONSTITUTION DEAD?

- ◆ The ratification process goes on:
  - 15 MS already ratified the Treaty (16 with Finland at the end of 2006)
  - Two countries refused : France and the Netherlands
  
- ◆ 7 MS have yet to ratify
  - The Czech Republic, Denmark, Ireland, Poland, Portugal, Sweden and UK

# WHAT TO DO TO OVERCOME THE CRISIS?

- ◆ Plan B? Negotiations to draft a new treaty?
- ◆ Applying the Declaration annexed to the Constitution “on the ratification of the Treaty establishing a Constitution for Europe” ?

*“If, two years after the signature of the Treaty (October 29,2006), 4/5 of the MS (22 MS) have ratified it and one or more MS have encountered difficulties in proceeding with ratification, the matter will be referred to the EU Council” .*

- ◆ In a prudent approach, the EU Council of June 2006 stated that:

*“The Presidency will present a report to the European Council during the first semester of 2007, based on extensive consultations with the Member States. This report should... explore possible future developments”.*

*“The report will subsequently be examined by the European Council... [and] examination will serve as the basis for further decisions on how to continue the reform process, it being understood that the necessary steps to that effect will have been taken during the second semester of 2008 at the latest...”.*

# TO CONCLUDE : MAIN CHALLENGES

- ◆ The rise of nationalisms and EU democratic integration
- ◆ The energy crisis and EU Competitiveness and prosperity
- ◆ Globalization and the safeguard of the « EU social model »

IN SEARCH OF A STRONG EUROPEAN LEADERSHIP