



FACULTY OF JURIDICAL SCIENCES

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Lecture-33



European Union

The European Union is a group of 28 countries that operate as a cohesive economic and political block.

19 of these countries use **EURO** as their official currency. **9 EU members** (Bulgaria, Croatia, Czech Republic, Denmark, Hungary, Poland, Romania, Sweden, and the United Kingdom) **do not use the euro**.

The EU grew out of a desire to form a single European political entity to end centuries of warfare among European countries that culminated with World War II and decimated much of the continent.

The EU has developed an **internal single market** through a standardised system of laws that apply in all member states in matters, where members have agreed to act as one.

Goals

- Promote peace, values and the well-being of all citizens of EU.
- Offer freedom, security and justice without internal borders
- Sustainable development based on balanced economic growth and price stability, a highly competitive market economy with full employment and social progress, and environmental protection
- Combat social exclusion and discrimination
- Promote scientific and technological progress
- Enhance economic, social and territorial cohesion and solidarity among EU countries
- Respect its rich cultural and linguistic diversity
- Establish an economic and monetary union whose currency is euro.

History

- After World War II, European integration was seen as a **cure to the excessive nationalism** which had devastated the continent.
- In 1946 at the University of Zurich, Switzerland, **Winston Churchill** went further and advocated the **emergence of a United States of Europe**.
- In 1952, **European Coal and Steel Community (ECSC)** was founded under **Treaty of Paris (1951)** by 6 countries called **Six** (Belgium, France, Germany, Italy, Luxembourg and the Netherlands) to renounce part of their sovereignty by placing their coal and steel production in a common market, under it.
 - **European Court of Justice** (called "Court of Justice of the European Communities" until 2009) was also **established in 1952 under Paris Treaty**.

- **European Atomic Energy Community (EAEC or Euratom)** is an international organisation established by the **Euratom Treaty (1957)** with the original purpose of creating a specialist market for nuclear power in Europe, by developing nuclear energy and distributing it to its member states while selling the surplus to non-member states.
 - It has same members as the European Union and is governed by the European Commission (EC) and Council, operating under the jurisdiction of the European Court of Justice.
- **European Economic Community (EEC)** was created by the **Treaty of Rome (1957)**. The Community's initial aim was to bring about economic integration, including a common market and customs union, among its founding members (Six).
 - It ceased to exist by Lisbon Treaty-2007 and its activities were incorporated in EU.
- **Merger Treaty (1965, Brussels)** in which an agreement was reached to merge the three communities (ECSC, EAEC, and EEC) under a single set of institutions, creating the **European Communities (ECs)**.
 - The Commission and Council of the EEC were to take over the responsibilities of its counterparts (ECSC, EAEC) in other organisations.
- The ECs initially expanded in 1973 when Denmark, Ireland, the United Kingdom became members. Greece joined in 1981, Portugal and Spain following in 1986.
- **Schengen Agreement (1985)** paved the way for the creation of open borders **without passport controls** between most member states. It was effective in 1995.
- **Single European Act (1986)**: enacted by the European Community that committed its member countries to a timetable for their economic merger and the establishment of a single European currency and common foreign and domestic policies.
- **The Maastricht Treaty-1992** (also called the **Treaty on European Union**) was signed on 7 February 1992 by the members of the European Community in Maastricht, Netherlands to further European integration. It received a **great push with the end of the Cold War**.
 - European Communities (ECSC, EAEC, and EEC) incorporated as **European Union**.
 - **European citizenship** was created, allowing citizens to reside in and move freely between Member States.
 - A common foreign and security policy was established.
 - Closer cooperation between police and the judiciary in criminal matters was agreed.
 - It paved the way for the creation of a single European currency – **the euro**. It was the culmination of several decades of debate on increasing economic cooperation in Europe.
 - It established the **European Central Bank (ECB)**.
 - **It enabled people** to run for local office and for **European Parliament elections** in the EU country they lived in.

- **A monetary union** was established in 1999 and came into full force in 2002 and is composed of 19 EU member states which use the euro currency. These are Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Portugal, Slovakia, Slovenia, and Spain.
- In 2002, **Treaty of Paris (1951) expired & ECSC ceased to exist** and its activities fully absorbed by the European Community (EEC).
- **The Treaty of Lisbon 2007:**
 - European Community (now composed only of EEC, EAEC, as ECSC already ceased in 2002) was ceased and its activities incorporated in EU.
 - EAEC is only remaining community organization legally distinct from the European Union (EU), but has the same membership, and is governed by many of the EU's institutions.
- **Euro Crisis:** The EU and the **European Central Bank (ECB)** have struggled with high sovereign debt and collapsing growth in Portugal, Ireland, Greece and Spain since the global financial market collapse of 2008. Greece and Ireland received financial bailouts from the community in 2009, which were accompanied by fiscal austerity. Portugal followed in 2011, along with a second Greek bailout.
 - Multiple rounds of interest rate cuts and economic stimulus failed to resolve the problem.
 - Northern countries such as Germany, the United Kingdom and the Netherlands increasingly resent the financial drain from the south.
- In 2012, the EU received the **Nobel Peace Prize** for having "contributed to the advancement of peace and reconciliation, democracy, and human rights in Europe.
- **Brexit:** In 2016, a referendum (called Brexit) was held by U.K. government, and the nation voted to leave the EU. Now the process is under UK Parliament for formal withdrawal from EU.

MCQ

1. The term “Inner Six” is related to.....

- (a) G-24 organization
- (b) ASEAN
- (c) SAARC

(d) European Community Market (EEC)

2. Currently how many members are in the European Union?

(a) 27

(b) 28

(c) 53

(d) 17

3. Which of the following country is not the member of the EU?

(a) Estonia

(b) Denmark

(c) Switzerland

(d) Malta

4. Which of the following statement is NOT correct about the EU?

(a) Germany is the founder member of the EU

(b) Croatia is the latest member of the EU.

(c) Among all the members of the EU, Malta has smallest area

(d) All the member countries of the EU use EURO as the currency of their state.

5. Which of the following 2 countries are not the participants of the euro zone?

(a) Luxembourg, Malta

(b) Denmark and the United Kingdom

(c) Austria, Belgium

(d) Slovenia, Spain