

# Revival and Transformation: From Single Market to Constitution

I. The British Budgetary Question

II. The Single European Act (SEA)

III. The Maastricht Treaty

IV. Economic and Monetary Union

V. Eastern Enlargement

VI. An EU Constitution(?)

# I. The British Budgetary Question

- Britain's (and the EC's) Budget Problem
- Thatcher and the CAP
- A Temporary Rebate....
- ...before a Permanent Fix (Fontainebleau 1984)
- Meanwhile...the Second (Greece 1981) and Third (Spain and Portugal 1986) Enlargements

**Mrs. Thatcher "I want  
my money back!"**



# I. The Single European Act

- Mitterrand and the French U-Turn
- Delors Tours the Capitals
- The Dooge Report, the IGC and the White Paper
- The Single European Act (1986)
  - Establish a single market (free movement of goods, services, capital, and people) by 1992.
- Implementation
- “Europe 92”: Public and Foreign Perceptions





# III. The Maastricht Treaty

- The Three Pillars
  - Institutional Changes and Subsidiarity
  - Common Foreign and Security Policy
  - Justice and Home Affairs
- Maastricht Treaty (Treaty on European Union, 1991)
  - British 'Opt Outs' and 'Two-Speed Europe'
- Ratification
  - Denmark Demurs while France says "Yes" (barely)

# The Three Pillars of the TEU

## European Union

### European Community

customs union,  
internal market,  
Common Agricultural  
Policy, Economic and  
Monetary Union

### Common Foreign and Security Policy

### Cooperation in Justice and Home Affairs

# IV. Economic and Monetary Union

- The 1992 Currency Crisis
- Economic Convergence
  - Inflation: no  $>$  than 1.5% of average of top three
  - Deficit:  $<$  3% of GDP
  - Debt:  $<$  60% of GDP
  - Interest Rates: no  $>$  2% above average of top three
- Establishing the Single Currency (Euro)
  - Fixing Exchange Rates to the Euro (January 1999)
  - The European Central Bank (ECB)
  - The Stability and Growth Pact
  - Coins and Notes (January 2002)
- The Outsiders (UK, Denmark, Sweden)



# V. Eastern Enlargement

- The Changed Political Environment
- Fourth Enlargement (Austria, Sweden and Finland, 1995)
- Fifth Enlargement (Estonia, Latvia, Lithuania, Poland, Czech Republic, Slovakia, Hungary, Slovenia, Malta, Cyprus, 2004)
- Sixth Enlargement (Bulgaria and Romania, 2007)
- Turkey in Europe? Others?
- Institutional Change (or Lack Thereof)
  - The Amsterdam (1997) and Nice (2001) Treaties



## VI. An EU Constitution (?)

- Convention on the Future of Europe
- Chaired by Valéry Giscard d'Estaing
- Disputes and Compromises
- Signed October 2004
- Still a Union of States rather than a United States of Europe

**The Opening Session  
of the Convention**



## VI. An EU Constitution (?)

- Numerous Member States Ratify
- France and the Netherlands say **“NO!”**
  - France (May 29, 2005) – 55% No; 45% Yes
  - Netherlands (June 1, 2005) – 62% No; 38% Yes
- Lisbon (Reform) Treaty
  - Institutional Changes Only (Ireland still says ‘NO’)



The cows say no....

...and so do the voters.



# Current Status of EU Constitution Ratification

18 members have ratified the constitution through either their parliament or a national referendum.

7 members have postponed any action

2 members voted NO (France and the Netherlands)

