#### **European Union Law**

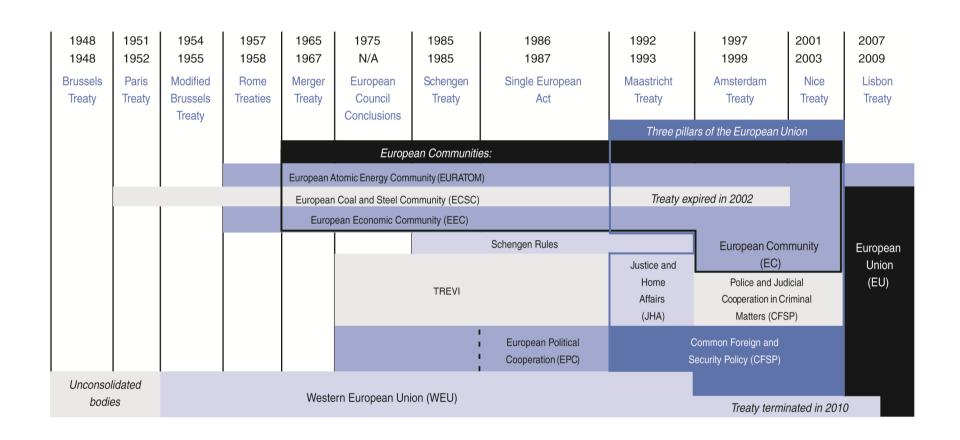
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# The "deepening" of the European integration: a) the European Communities

Lesson No 2



ROBERT SCHÜTZE\_Fig. 1.1

The beginning of the European integration process: the birth of the European Communities

#### Chronology

- 7-8 May 1945 WW2 ends in Europe with the total and unconditional surrender of Germany
- 9 May 1950 the 'Schuman Plan' (after an American suggestion)
- 18 April 1951 Treaty of Paris: ECSC
- 27 May 1952 Treaty of Paris: EDC (failed)
- 25 March 1957 Treaty of Rome: ECC, Euratom
- 1985 Treaty of Schengen
- 1986 Single European Act

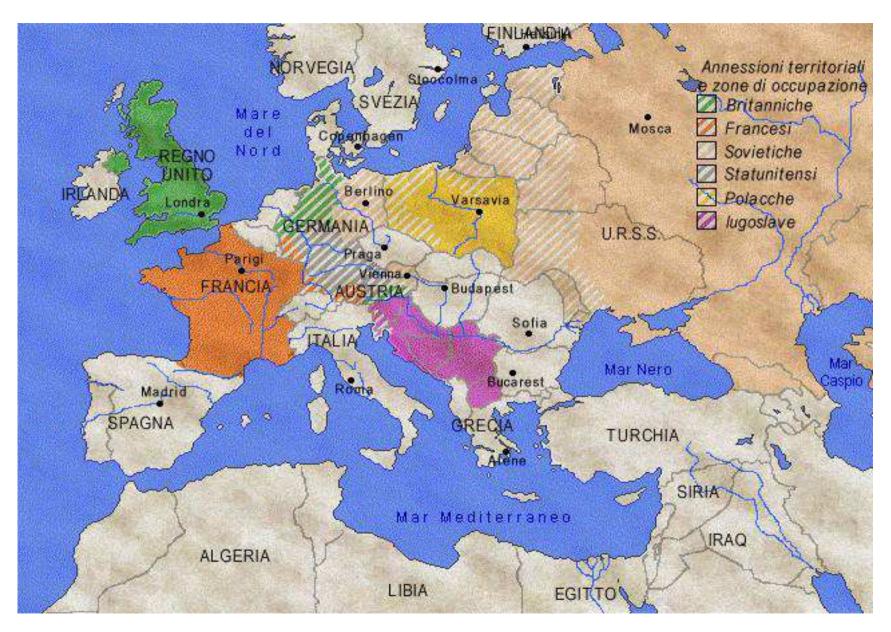
From Paris to Rome

## THE EUROPEAN COAL AND STEEL COMMUNITY (ECSC)

#### Introductory remarks

- A fundamental transformation in the substance and structure of international law: a transition from an int'l law of <u>coexistence</u> to an int'l law of <u>cooperation</u> → the rise of international organisations
- At European level (notably, in the west) various efforts at (institutional) cooperation (outside EC/EU integration)
  - 1948: Organisation for European Economic Cooperation (OEEC, then OECD) – administration of the European Recovery Program (the 'Marshall Plan')
  - 1948: Western European Union (WEU), a security alliance
  - 1949: Council of Europe → European Convention on Human Rights
- European Communities a new model of cooperation, aimed at integration: Supranationalism

#### Europe in 1945: Aftermath of the World War II



#### The 'Iron Curtain'



#### **European Coal and Steel Community**

- The initiative came from France and was primarily addressed to Germany, which had been excluded from other forms of cooperation (Council of Europe, NATO, WEU) until then
- Sectorial market integration (coal and steel only)
   but...→
  - a major sector both economically and politically
  - conceived as a first step in the federation of Europe
- A new model of int'l cooperation: supranationalism (Community method) as opposed to intergovermentalism

#### The institutional structure of the ECSC

- High Authority (Commission)
  - a very supranational (and bureaucratic) body
  - duty to ensure that the ECSC objectives would be attained
  - Decision-making power to adopt decisions, directly applicable in the MSs and binding in their entirety
- Assembly (Parliament)
  - purely advisory functions
- Council
  - charged to harmonise the action of the Commission and that of the national Governments
- Court

#### **European Defence Community (EDC)**

- The idea came from France ('Pléven Plan'):
  - the security of the MSs was to be ensured by a European army (the "European Defence Forces") under the command of a supranational institution → a European minister of defence, nominated by the national governments and responsible to them and to a European parliament
  - MSs were prevented from recruiting or maintaining national armed forces
- 1952 Paris Treaty failed because French parliament voted against ratification

#### EDC → *political* integration: a too long jump?

- EDC postponed the problem of defining the exact nature of the supranational political institution commanding the European army
- Draft Treaty establishing the European Political Community
  - a Community of a supranational character, founded upon a union of peoples and States
  - Its central institution: a bicameral 'Parliament', consisting of two Houses – the House of the Peoples and the Senate → the principal law-maker; a democratic and responsible political authority behind the European army

#### From Rome to Maastricht

## **EUROPEAN (ECONOMIC) COMMUNITY (ECC) EUROPEAN ATOMIC ENERGY COMMUNITY**

#### Return to the idea of *economic* integration

- The failure of the EDC discredited the idea of political integration for decades
- 1957 EEC and Euratom why two treaties? →
  a compromise solution between
  - a) French proposal for further sectoral integration: nuclear energy (economic sector adjacent to coal)
  - b) Member States favouring the creation of a common market for all economic sectors

#### Which model for European economic integration?

- Customs union (as opposed to a free trade area)
- Common market of goods
- Abolition, as between MSs, of obstacles to free movement of persons, services and capital
- Common transport policy
- A system ensuring that competition in the common market is not distorted – EU competition law → model of market economy, at odds with the model of centrally planned economy

Which model for the cooperation/integration between European States?

## SUPRANATIONAL VS INTERGOVERNAMENTAL IN THE HISTORY OF EUROPEAN INTEGRATION

#### Two ideal models

- a) Intergovernmentalism Traditional model of international organizations → States still play a crucial role – they enjoy both a decisional and normative veto power
- b) Supranationalism the "Community method"
   → the entity created by the member States is actually independent of their will

The second model was born with (and characterises) the EC/EU integration. But elements of both models have coexisted in the European history indeed

### 'Decisional' Supranationalism (the governmental structure of the EC/EU)

It relates to the question: who has the decision-making power in the European Communities/Union? How the decisions are taken? It is a matter 'internal' to the Community/Union legal order

- ECSC → Commission is the central decision-maker the organ endowed with supranational powers was itself 'supranational' = independent of the will of the MSs
- EEC → same institutional structure than ECSC but different institutional balance – Council is the central decision-maker – its independence from the MSs will depends on the voting mechanism (majority vs unanimity)
- Further steps until the current EU –
- → supranationalism –
- ✓ Council deciding on qualified majority voting
- ✓ Legislative powers on European Parliament, directly elected by European citizens
- √ 'judicial' activism (Cassis de Dijon case)
- → intergovernmentalism –
- ✓ The birth and the rise of European Council
- ✓ Stall of qualified majority voting in the Council

## 'Normative' Supranationalism (the governmental structure of the EC/EU)

It relates to the question: can the European Communities/Union norms be directly be applied in the MSs legal orders? Do they prevail or not over contrasting domestic rules?

It is a matter concerning the interplay between Union and national legal orders

- → supranationalism –
- ✓ Direct effect of Union norms
- ✓ Supremacy of Union norms
- → intergovernmentalism traditional int'l law: whether int'l norms may be directly be enforced within the domestic legal order solely depends on this latter