
TABLE OF CONTENTS

| | |
|---|-----------|
| Foreword | 1 |
| PART I: TREATIES, LAW AND INSTITUTIONS | 3 |
| Chapter 1. Introduction to European Integration | 5 |
| 1.1. The theoretical framework | 5 |
| 1.1.1. A synopsis of prominent integration theories | 6 |
| 1.1.2. An empirical approach based on the development of common policies | 7 |
| 1.2. Birth and growth of the Community/Union | 13 |
| 1.3. The attractiveness of the Community method | 16 |
| General bibliography on the EU | 18 |
| Chapter 2: European Treaties | 19 |
| 2.1. The original Treaties | 20 |
| 2.2. The Treaty of Maastricht | 22 |
| 2.3. The Treaty of Amsterdam | 23 |
| 2.4. The Treaty of Nice | 24 |
| 2.5. Towards a European Constitution | 24 |
| 2.6. The treaties as instruments of progress | 26 |
| Bibliography on European Treaties | 27 |
| Chapter 3: European Law and Finances | 29 |
| 3.1. European Community and European Union | 29 |
| 3.2. The competences of the European Community/Union | 31 |
| 3.3. The Community legal system | 33 |
| 3.4. The Community finances | 37 |
| Bibliography on European law and finances | 40 |
| Chapter 4: The structure and functions of European institutions | 41 |
| 4.1. The main European Institutions | 42 |
| 4.1.1. The European Council | 43 |
| 4.1.2. The European Commission | 44 |
| 4.1.3. The European Parliament | 48 |
| 4.1.4. The Council | 52 |
| 4.1.5. The Court of Justice | 54 |
| 4.2. Other institutions and advisory bodies | 56 |
| 4.2.1. The European Central Bank | 57 |
| 4.2.2. The European Court of Auditors | 57 |
| 4.2.3. The Economic and Social Committee | 58 |
| 4.2.4. The Committee of the Regions | 59 |
| 4.3. The Community's decision-making process | 60 |

| | |
|---|------------|
| 4.4. Prospects of European governance | 65 |
| Bibliography on the European institutions | 67 |
| PART II: INTEGRATION STAGES | 69 |
| Chapter 5: Customs Union | 71 |
| 5.1. Intra-Community trade | 72 |
| 5.1.1. The abolition of customs barriers to trade | 72 |
| 5.1.2. Elimination of internal borders | 74 |
| 5.1.3. Veterinary and plant health legislation | 74 |
| 5.1.4. Customs cooperation | 77 |
| 5.2. Trade with non-member countries | 78 |
| 5.2.1. The Common Customs Tariff | 78 |
| 5.2.2. Economic tariff matters | 79 |
| 5.2.3. The Community Customs Code | 80 |
| 5.3. Appraisal and outlook | 82 |
| Bibliography on Customs Union | 84 |
| Chapter 6: Common market | 85 |
| 6.1. Completion of the internal market | 86 |
| 6.2. Free movement of goods | 87 |
| 6.2.1. Harmonisation of legislations | 89 |
| 6.2.2. Prevention of new technical obstacles | 90 |
| 6.2.3. Common standardisation and certification policy | 91 |
| 6.2.4. Protection of intellectual and industrial property | 92 |
| 6.3. Public procurement | 94 |
| 6.4. Free movement of workers | 96 |
| 6.4.1. The common labour market | 97 |
| 6.4.2. Social security and other measures for migrant workers | 99 |
| 6.5. Freedom of establishment and recognition of diplomas | 101 |
| 6.5.1. Right of establishment | 101 |
| 6.5.2. Recognition of professional qualifications | 102 |
| 6.6. Freedom to provide services | 104 |
| 6.6.1. Banking | 106 |
| 6.6.2. Insurance | 107 |
| 6.6.3. Stock exchanges and financial services | 109 |
| 6.6.4. Services of general interest | 110 |
| 6.7. Free movement of capital | 111 |
| 6.8. Trans-European Networks | 113 |
| 6.9. Appraisal and outlook | 114 |
| Bibliography on the Common Market | 116 |
| Chapter 7: Economic and Monetary Union | 117 |
| 7.1. The need for EMU | 118 |
| 7.2. The single monetary policy | 120 |
| 7.2.1. The 1971 Resolution | 121 |

| | |
|---|----------------|
| 7.2.2. European Monetary System | 122 |
| 7.2.3. The preparation of EMU | 122 |
| 7.2.4. The euro and its supervising authorities | 124 |
| 7.3. The common economic policy | 128 |
| 7.3.1. Economic convergence in the European Union | 128 |
| 7.3.2. Budgetary discipline and the single currency | 130 |
| 7.3.3. Financial solidarity | 133 |
| 7.4. Appraisal and outlook | 133 |
| Bibliography on the EMU | 136 |
| Chapter 8: Towards a political union | 137 |
| 8.1. Justice and home affairs | 138 |
| 8.1.1. Judicial cooperation in civil matters | 140 |
| 8.1.2. Police and judicial cooperation in criminal matters | 141 |
| 8.1.3. Common treatment of nationals of third countries | 145 |
| 8.1.4. The fight against terrorism inside the European Union | 147 |
| 8.2. Common foreign and security policy | 148 |
| 8.2.1. Decision making in CFSP matters | 149 |
| 8.2.2. The institutional framework of CFSP | 150 |
| 8.2.3. European security and defence policy | 152 |
| 8.3. Appraisal and outlook | 157 |
| Bibliography on JHA and CFSP | 159 |
| PART III: POLICIES CONCERNING THE CITIZENS | 161 |
| Chapter 9: Citizens' rights and participation | 163 |
| 9.1. Citizenship of the Union and its attributes | 163 |
| 9.2. Citizens' rights | 165 |
| 9.3. The defence of citizens' rights | 169 |
| 9.4. Human networks and multinational integration | 169 |
| 9.5. The so-called democratic deficit | 170 |
| 9.6. Appraisal and outlook | 173 |
| Bibliography on citizens' rights | 174 |
| Chapter 10: Information, audiovisual and cultural policies | 175 |
| 10.1. The information deficit of the Union | 176 |
| 10.1.1. Information efforts of the European institutions | 179 |
| 10.1.2. The deficiencies of the actual information activities | 182 |
| 10.1.3. The need for a common communication policy | 183 |
| 10.2. Audiovisual policy | 185 |
| 10.3. Cultural activities | 187 |
| 10.4. Appraisal and outlook | 189 |
| Bibliography on information, audiovisual and cultural policies | 191 |
| Chapter 11: Consumer policy | 193 |
| 11.1. Consumer information | 194 |

| | |
|---|------------|
| 11.2. Protection of health and physical safety | 195 |
| 11.3. Protection of economic and legal interests | 199 |
| 11.4. Appraisal and outlook | 202 |
| Bibliography on consumer protection policy | 203 |
| PART IV: HORIZONTAL POLICIES | 205 |
| Chapter 12: Regional Development Policy | 207 |
| 12.1. The need for a common regional policy | 208 |
| 12.1.1. Priority regions | 210 |
| 12.1.2. Economic and social cohesion of the Union | 212 |
| 12.2. Coordination of national and Community policies | 215 |
| 12.2.1. Coordination of national regional policies | 215 |
| 12.2.2. Coordination instruments for national policies | 216 |
| 12.2.3. Coordination of Community policies | 217 |
| 12.3. Coordination of Community financial instruments | 218 |
| 12.3.1. The objectives and methods of the Structural Funds | 219 |
| 12.3.2. The organisation of structural operations | 220 |
| 12.3.3. European Regional Development Fund | 221 |
| 12.3.4. Community Initiatives | 222 |
| 12.4. Appraisal and outlook | 223 |
| Bibliography on regional policy | 225 |
| Chapter 13: Social progress policies | 227 |
| 13.1. The need for a common social policy | 229 |
| 13.2. Social cohesion in the European Union | 230 |
| 13.3. Common employment policy | 231 |
| 13.3.1. Institutional machinery for employment policy | 232 |
| 13.3.2. The employment strategy of the Union | 232 |
| 13.3.3. The actions of the European Social Fund | 235 |
| 13.4. Education, vocational training and youth policies | 237 |
| 13.4.1. The foundations of training and education policies | 237 |
| 13.4.2. Education and training programmes | 239 |
| 13.5. Common measures for the improvement of living and working conditions | 243 |
| 13.5.1. The social dialogue in the EU | 244 |
| 13.5.2. Worker information, consultation and participation | 245 |
| 13.5.3. Social protection | 246 |
| 13.5.4. The organisation of work | 249 |
| 13.5.5. Equal treatment for men and women | 251 |
| 13.5.6. Action to combat social exclusion | 254 |
| 13.5.7. Safety and health at work | 255 |
| 13.5.8. Public health protection | 257 |
| 13.6. Appraisal and outlook | 259 |

| | |
|--|------------|
| Bibliography on social policy | 260 |
| Chapter 14: Taxation policy | 263 |
| 14.1. The need for a common tax policy | 264 |
| 14.1.1. The fiscal neutrality in a common market | 264 |
| 14.1.2. Taxation and conditions of competition | 265 |
| 14.2. Harmonisation of indirect taxation | 266 |
| 14.2.1. Value added tax | 267 |
| 14.2.2. Removal of fiscal frontiers | 268 |
| 14.2.3. Excise duties | 271 |
| 14.2.4. Other indirect taxation | 272 |
| 14.3. Harmonisation of direct taxation | 273 |
| 14.3.1. Company taxation | 273 |
| 14.3.2. Effort to combat tax avoidance | 275 |
| 14.4. Appraisal and outlook | 276 |
| Bibliography on taxation policy | 277 |
| Chapter 15: Competition policy | 279 |
| 15.1. The need for a common competition policy | 281 |
| 15.1.1. Buoyancy of competition in the large market | 281 |
| 15.1.2. Negative reactions to intensified competition | 281 |
| 15.2. Foundations of the European policy | 283 |
| 15.2.1. European competition network | 284 |
| 15.2.2. European law and national law | 287 |
| 15.3. Permissible cooperations and prohibited agreements | 288 |
| 15.3.1. The "de minimis" rule | 289 |
| 15.3.2. Permissible contractual relations | 289 |
| 15.3.3. Exemption of categories of agreements | 290 |
| 15.3.4. Prohibited agreements | 291 |
| 15.4. Market domination | 294 |
| 15.4.1. Preventing the exploitation of a dominant position | 294 |
| 15.4.2. Concentrations in the single market | 297 |
| 15.5. Monitoring State intervention | 300 |
| 15.5.1. Compatible and incompatible aids | 301 |
| 15.5.2. General aids | 302 |
| 15.5.3. Sectoral aids | 304 |
| 15.5.4. Public undertakings | 305 |
| 15.5.5. State monopolies of a commercial character | 306 |
| 15.6. Appraisal and outlook | 307 |
| Bibliography on competition policy | 308 |
| Chapter 16: Environment policy | 311 |
| 16.1. The need for a common environment policy | 312 |
| 16.2. Common strategy for sustainable development | 314 |
| 16.2.1. The foundations of the common environment policy | 315 |

| | |
|--|------------|
| 16.2.2. The principles of the common environment policy | 316 |
| 16.2.3. Notification, information and monitoring | 318 |
| 16.2.4. Environment and other common policies | 320 |
| 16.2.5. International cooperation | 321 |
| 16.3. Reduction of pollution and nuisances | 322 |
| 16.3.1. Quality objectives for European waters | 322 |
| 16.3.2. Control of discharges into the aquatic environment | 323 |
| 16.3.3. Effort to combat marine pollution | 325 |
| 16.3.4. Effort to combat air pollution | 326 |
| 16.3.5. Prevention of industrial and chemical hazards | 329 |
| 16.3.6. Effort to combat noise pollution | 331 |
| 16.4. Management of environmental resources | 332 |
| 16.4.1. Protection of flora and fauna | 332 |
| 16.4.2. Management of waste | 334 |
| 16.5. Appraisal and outlook | 336 |
| Bibliography on environment policy | 338 |
| PART V: SECTORAL POLICIES | 339 |
| Chapter 17: Industrial and Enterprise Policies | 341 |
| 17.1. The competitiveness of European industry | 342 |
| 17.1.1. The single market and industrial policy | 343 |
| 17.1.2. The challenges of European industry | 344 |
| 17.1.3. The foundations of industrial policy | 345 |
| 17.1.4. SMEs in the single market | 346 |
| 17.2. Enterprise policy | 348 |
| 17.2.1. The legal environment of European business | 349 |
| 17.2.2. The business environment | 352 |
| 17.2.3. Business funding | 354 |
| 17.2.4. Cooperation between businesses | 355 |
| 17.3. Sectoral policy | 356 |
| 17.3.1. Steel industry | 357 |
| 17.3.2. Shipbuilding and maritime industries | 358 |
| 17.3.3. Textiles and clothing industries | 359 |
| 17.3.4. Aeronautical and aerospace industries | 360 |
| 17.3.5. Information industries | 361 |
| 17.3.6. Telecommunications | 364 |
| 17.3.7. Other industrial sectors | 368 |
| 17.4. Appraisal and outlook | 369 |
| Bibliography on industrial and enterprise policies | 370 |
| Chapter 18: Research and Technology Policy | 373 |
| 18.1. The need for a common research policy | 374 |
| 18.2. The foundations of the common research policy | 376 |

| | |
|---|------------|
| 18.2.1. Research provisions of the Community Treaties | 376 |
| 18.2.2. The framework programme for R & D | 377 |
| 18.2.3. Direct and indirect research activities | 379 |
| 18.2.4. The activities of the Joint Research Centre | 380 |
| 18.2.5. Coordination of research in the European Union | 381 |
| 18.2.6. International scientific and technical cooperation | 382 |
| 18.3. Euratom and nuclear research | 384 |
| 18.3.1. Nuclear fission | 384 |
| 18.3.2. Controlled thermonuclear fusion | 385 |
| 18.4. Research activities of the European Community | 386 |
| 18.4.1. Integrating Community research | 387 |
| 18.4.2. Structuring the European research area | 388 |
| 18.5. Appraisal and outlook | 389 |
| Bibliography on research policy | 391 |
| Chapter 19: Energy Policy | 393 |
| 19.1. The importance of energy for Europe | 394 |
| 19.1.1. The 1973 crisis | 395 |
| 19.1.2. International energy cooperation | 396 |
| 19.1.3. Community energy strategy | 397 |
| 19.2. Internal energy market | 398 |
| 19.2.1. Electricity and gas markets | 399 |
| 19.2.2. Solid fuel market | 401 |
| 19.2.3. Nuclear energy market | 401 |
| 19.2.4. Oil market | 404 |
| 19.3. Energy supply | 405 |
| 19.3.1. Energy objectives and rational energy use | 405 |
| 19.3.2. Coal supply | 406 |
| 19.3.3. Supply of nuclear fuels | 407 |
| 19.3.4. Oil and natural gas supply | 408 |
| 19.3.5. New technologies and new energy sources | 409 |
| 19.4. Appraisal and outlook | 410 |
| Bibliography on energy policy | 411 |
| Chapter 20: Transport Policy | 413 |
| 20.1. The special interest for the transport sector | 414 |
| 20.2. The internal market for inland transport | 416 |
| 20.2.1. Access to the common inland transport market | 417 |
| 20.2.2. Competition conditions in inland transport services | 419 |
| 20.2.3. Transport infrastructure | 420 |
| 20.3. Sectoral organisation of the transport market | 422 |
| 20.3.1. Road transport | 422 |
| 20.3.2. Railways | 423 |
| 20.3.3. Inland waterway transport | 425 |

| | |
|--|------------|
| 20.3.4. Maritime transport | 425 |
| 20.3.5. Air transport | 428 |
| 20.4. Appraisal and outlook | 433 |
| Bibliography on transport policy | 434 |
| Chapter 21: Agricultural Policy | 435 |
| 21.1. Reasons for special treatment of agriculture | 436 |
| 21.2. CAP foundations and reforms | 438 |
| 21.2.1. CAP marathons | 439 |
| 21.2.2. CAP reforms | 439 |
| 21.3. CAP management and financing | 441 |
| 21.3.1. Consultations of interested parties and experts | 441 |
| 21.3.2. CAP management | 442 |
| 21.3.3. CAP financing | 443 |
| 21.3.4. Control of agricultural expenditure | 444 |
| 21.3.5. Agrimonetary questions and the euro | 445 |
| 21.4. Common market organisations | 446 |
| 21.4.1. The principles of the CAP | 447 |
| 21.4.2. Agricultural prices and product quality | 448 |
| 21.4.3. Direct support schemes for farmers | 450 |
| 21.4.4. External wing of the CAP | 451 |
| 21.5. Structural policy and rural development | 452 |
| 21.5.1. The financing of rural development | 453 |
| 21.5.2. Rural development policy principles and objectives | 454 |
| 21.5.3. Rural development measures | 456 |
| 21.5.4. The Community initiative LEADER+ | 457 |
| 21.5.5. The Special Accession programme for agriculture and rural development | 458 |
| 21.6. Appraisal and outlook | 459 |
| Bibliography on the common agricultural policy | 461 |
| Chapter 22: Fisheries Policy | 463 |
| 22.1. Economic and legal framework | 464 |
| 22.1.1. The 200 mile rule | 465 |
| 22.1.2. Free access to fishing zones | 465 |
| 22.2. Conservation and management of resources | 466 |
| 22.2.1. Sustainable exploitation of resources | 467 |
| 22.2.2. Internal aspects | 468 |
| 22.2.3. External aspects | 471 |
| 22.3. Common organisation of the market | 472 |
| 22.4. Structural policy | 473 |
| 22.5 Appraisal and outlook | 474 |
| Bibliography on the common fisheries policy | 476 |

| | |
|---|------------|
| PART VI: EXTERNAL POLICIES | 477 |
| Chapter 23: Commercial Policy | 479 |
| 23.1. The instruments of the policy | 480 |
| 23.2. Common import arrangements | 482 |
| 23.2.1. Common rules for imports | 482 |
| 23.2.2. Common trade protection | 484 |
| 23.3. Common export arrangements | 487 |
| 23.4. GATT and WTO | 488 |
| 23.5. Sectoral commercial policy measures | 491 |
| 23.6. Appraisal and outlook | 493 |
| Bibliography on the common commercial policy | 494 |
| Chapter 24: Development aid Policy | 495 |
| 24.1. Objectives and instruments of the policy | 495 |
| 24.2. EC-ACP Association | 497 |
| 24.3. Overseas countries and territories | 500 |
| 24.4. Aid for non-associated countries | 501 |
| 24.5. Generalised system of preferences | 502 |
| 24.6. Cooperation at world level | 502 |
| 24.7. Fight against hunger and other afflictions | 503 |
| 24.8. Appraisal and outlook | 505 |
| Bibliography on development aid policy | 507 |
| Chapter 25: External Relations | 509 |
| 25.1. European Free Trade Association and European Economic Area | 510 |
| 25.2. Candidates for accession | 511 |
| 25.3. Balkan countries | 515 |
| 25.4. Eastern European and Central Asian countries | 517 |
| 25.5. Mediterranean, Middle East | 519 |
| 25.6. Other Asian countries and Oceania | 522 |
| 25.7. North American countries | 525 |
| 25.8. Latin American countries | 527 |
| 25.9. Appraisal and outlook | 529 |
| Bibliography on external relations | 530 |
| Conclusions: European integration and its perspectives | 531 |
| 1. Main facts regarding European integration | 532 |
| 2. European perspectives | 536 |
| Bibliography on European integration and its perspectives | 549 |
| INDEX AND GLOSSARY | 551 |