
SUMMARY

Foreword	1
PART I: TREATIES, LAW, INSTITUTIONS	3
Chapter 1: Introduction to European Integration	5
Chapter 2: European Treaties	19
Chapter 3: European Law and Finances	29
Chapter 4: Structure and functions of European Institutions	41
PART II: INTEGRATION STAGES	69
Chapter 5: Customs Union	71
Chapter 6: Common Market	85
Chapter 7: Economic and Monetary Union	117
Chapter 8: Towards a Political Union	137
PART III: POLICIES CONCERNING THE CITIZENS	161
Chapter 9: Citizens Rights and Participation	163
Chapter 10: Information, Audiovisual and Cultural Policies	175
Chapter 11: Consumer Policy	193
PART IV: HORIZONTAL POLICIES	205
Chapter 12: Regional Development Policy	207
Chapter 13: Social Progress Policies	227
Chapter 14: Taxation Policy	263
Chapter 15: Competition Policy	279
Chapter 16: Environment Policy	311
PART V: SECTORAL POLICIES	339
Chapter 17: Industrial and Enterprise Policies	341
Chapter 18: Research and Technology Policy	373
Chapter 19: Energy Policy	393
Chapter 20: Transport Policy	413
Chapter 21: Agricultural Policy	435
Chapter 22: Fisheries Policy	463
PART VI: EXTERNAL POLICIES	477
Chapter 23: Commercial Policy	479
Chapter 24: Development Aid Policy	495
Chapter 25: External Relations	509
CONCLUSIONS: EUROPEAN INTEGRATION AND ITS PERSPECTIVES	531
INDEX AND GLOSSARY	551

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	17
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	23
2.5. The Treaty of Lisbon: a Constitution without title	24
2.6. The treaties as instruments of progress	27
Bibliography on European Treaties	28
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	36
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	49
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	76
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	89
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	108
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 stages of EMU	122
7.2.4. The euro and its supervising authorities	124
7.3. The common economic policy	127
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	134
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	148
8.2. Common foreign and security policy	149
8.2.1. Decision making in CFSP matters	149
8.2.2. The institutional framework of CFSP	151
8.2.3. European security and defence policy	153
8.3. Appraisal and outlook	157
Bibliography on JHA and CFSP	160
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	170
9.5. The so-called democratic deficit	171
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	178
10.1.2. The deficiencies of the actual information activities	182
10.1.3. The need for a common communication policy	182
10.2. Audiovisual policy	184
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. The classification of EU regions	209
12.1.2. Economic and social cohesion of the Union	211
12.2. Coordination of national and Community policies	214
12.2.1. Coordination of national regional policies	215
12.2.2. Cross-border territorial cooperation	215
12.2.3. Coordination of Community policies	216
12.3. Coordination of Community financial instruments	217
12.3.1. The objectives and methods of the Structural Funds	218
12.3.2. The organisation of structural operations	219
12.3.3. European Regional Development Fund	221
12.3.4. Pre-accession assistance	222
12.4. Appraisal and outlook	223
Bibliography on regional policy	224
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	233
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	243
13.5.2. Worker information, consultation and participation	244
13.5.3. Social protection	246
13.5.4. The organisation of work	249
13.5.5. Equal treatment for men and women	250
13.5.6. Action to combat social exclusion	253
13.5.7. Safety and health at work	254
13.5.8. Public health protection	256
13.6. Appraisal and outlook	258

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. VAT rates and removal of fiscal frontiers	269
14.2.3. Excise duties	270
14.2.4. Other indirect taxation	272
14.3. Harmonisation of direct taxation	272
14.3.1. Company taxation	273
14.3.2. Effort to combat tax avoidance	274
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	280
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 competition policy	282
15.2.1. European competition network	284
15.2.2. European law and national competition law	287
15.3. Permissible cooperations and prohibited agreements	287
15.3.1. The "de minimis" rule	288
15.3.2. Permissible contractual relations	289
15.3.3. Exemption of categories of agreements	290
15.3.4. Prohibited agreements	291
15.4. Preventing market domination	294
15.4.1. Preventing the exploitation of a dominant position	294
15.4.2. Controlling 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	303
15.5.3. Sectoral aids	304
15.5.4. Public undertakings	305
15.5.5. State monopolies of a commercial character	307
15.6. Appraisal and outlook	307
Bibliography on competition policy	309
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	319
16.2.5. International environmental 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	324
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 in the EU	353
17.2.3. Business funding	355
17.2.4. Cooperation between businesses	356
17.3. Sectoral industrial policy	357
17.3.1. Steel industry	357
17.3.2. Shipbuilding and maritime industries	359
17.3.3. Textiles and clothing industries	360
17.3.4. Aeronautical and aerospace industries	360
17.3.5. Information industries	362
17.3.6. Telecommunications	365
17.3.7. Other industrial sectors	369
17.4. Appraisal and outlook	370
Bibliography on industrial and enterprise policies	372
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. EC and Euratom R & D framework programmes	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. Transnational R & D cooperation	382
18.3. Euratom and nuclear research	384
18.3.1. Nuclear fission	385
18.3.2. Controlled thermonuclear fusion	385
18.4. Research activities of the European Community	386
18.4.1. People and ideas in European research	387
18.4.2. Infrastructures in the European research area	388
18.5. Appraisal and outlook	390
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	402
19.2.4. Oil market	404
19.3. Energy supply	405
19.3.1. Energy objectives and rational energy use	406
19.3.2. Coal supply	407
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	412
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	416
20.2.2. Competition conditions in inland transport services	418
20.2.3. Transport infrastructure	420
20.3. Sectoral organisation of the transport market	421
20.3.1. Road transport	422
20.3.2. Railway transport	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 grants and product quality	449
21.4.3. Direct support schemes for farmers	450
21.4.4. External wing of the CAP	452
21.5. Rural development policy	453
21.5.1. The financing of rural development	454
21.5.2. Rural development objectives and guidelines	455
21.5.3. Rural development measures	457
21.5.4. The Community initiative LEADER+	458
21.5.5. Rural development measures for EU candidate countries	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	466
22.2. Conservation and management of resources	467
22.2.1. Sustainable exploitation of resources	468
22.2.2. Internal aspects	468
22.2.3. External aspects	471
22.3. Common organisation of the market	472
22.4. Structural policy	474
22.5. Appraisal and outlook	475
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 defence	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 sustainable development and conflict prevention	501
24.5. Generalised system of preferences	503
24.6. Cooperation at world level	504
24.7. Fight against hunger and other afflictions	505
24.8. Appraisal and outlook	506
Bibliography on development aid policy	508
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	514
25.4. European neighbourhood policy	517
25.5. Mediterranean, Middle East	520
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	528
Bibliography on external relations	529
Conclusions: European integration and its perspectives	531
1. Main facts regarding European integration	533
2. European perspectives	536
Bibliography on European integration and its perspectives	544
 INDEX AND GLOSSARY	 547