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Europe

EU treaties in the light of history

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Europe has a long history of wars, invasions, bloody conflicts and social ruptures. No wonder the "utopia of union" is so strong.

The 20th century confirms it: two "world" wars, the holocaust against the Jews, fascism, nazism, resistance movements, civil wars, revolutions and counter-revolutions.

"Unifying Europe" means overcoming, or mastering, the strong contradictions between states, but also the contradictions between social classes. In reality, unification between states always takes place on the basis of a certain "choice of society." Either capitalist (market economy, based on private property and generalised competition, production for profit, hierarchy and social inequality), or socialist (a classless society without social inequality, production to satisfy the needs of the population, collective property and co-operation).

The socialist project was actually the first which tried to unite the continent, between 1916 and 1923. There was a real perspective of an international society without war, exploitation and national oppression.

Unfortunately, the revolts of the labouring classes against exploitative, authoritarian and murderous capitalist systems in Russia, Germany, Hungary, Italy, Rumania and Poland were violently repressed. The new Soviet Union found itself alone. Isolated. It soon fell under the control of the Stalinist dictatorship. The people of Europe were now presented with a great, but false, dilemma: "exploitation under a democratic capitalist system, or totalitarian pseudo-socialism."

Twenty years later, the Second World War ravaged Europe for the second time. The urgent need to control the explosive rivalries between France, Britain and Germany re-emerged. The problem is that these rivalries have deep historical and structural roots.

– France was catapulted to the high point of human history by the universal importance of the 1989 French Revolution. But the country was handicapped by a less powerful economy than its neighbours.

– Britain was the first modern empire, with its industries and its colonies, its financial networks and active diplomatic corps. But the country was in decline.

– Germany is a first rank economic power. But the country was handicapped by its late unification (during the 19th century) and its lack of colonies. Politically, the country was stigmatised by the ghosts of its history.

With the working class (briefly) on the offensive at the end of the war, the new Europe is blocked on two sides. To the east is the Soviet Union, the cold war enemy. To the west, the United States: a former English colony, now the leading superpower.

Throughout the last 50 years, the dynamic of European unification has had an economic aspect, and an equally important politico-statecraft aspect. Sometimes one has been the main "lever," sometimes the other. On the social side, Europe's rulers have been obliged to make successive, important concessions to the working classes, which are massively organised, and often turbulent. These concessions have concerned employment, salary, trade union rights, and elements of economic democracy in the workplace.

More than ever before, Europe lives to the rhythm of intense internal and external contradictions, which can flare up at any moment (remember the tension caused by the fall of the Berlin Wall?). A dose of supra-national constraint, a transfer of part of national sovereignty to pan-European (state) institutions, capable of taking decisions which will be binding on all member states seems increasingly indispensable. It is the price for political stability and economic expansion.

The problem is that such a transfer has never taken place before, in Europe or elsewhere.

The bearable slowness of unification

A short historical detour explains the apparently mysterious difficulties, recurrent crises, and the interminable succession of European Treaties, each one more boring and confused than the last.

In 1947 the USA put a condition on their Marshall economic aid plan for Europe. Washington insisted that the participating European states form the Organisation for European Economic Co-operation (OEEC, later becoming the OECD). This was no philanthropic act. Rather, it was a way of advancing towards a "single market, without quantitative (external) restrictions to the movement of merchandise." The pressure came, most of all, from the booming American economy, which needed new outlets.

In fact, economic reconstruction was achieved not on the basis of a united Europe, but through the action of separate national states, each strongly marked by the Second World War.

In July 1952 the European Coal and Steel Community was formed [1] between France, Germany, the Benelux countries [2] and Italy. In a rare moment of frankness, this treaty admitted that the goal was "to replace secular rivalries with a fusion of essential interests," in the perspective of "a community between peoples long opposed by bloody divisions." [3]

The agreement effectively created a "common market" in two products. Overproduction of coal and steel was considered to have been a root cause of the recent war. Protectionism (restrictive practices, state subsidies, discrimination between producers from different member states, import tariffs and taxes) were forbidden. Quotas were established, and backed up with a generous subsidy system. For the first time, a European body (the "High Authority") received supra-national authority, in this precisely specified field.

This agreement was part of a broader economic and political mobilisation of the "free world" by the United States, which was preparing for a confrontation with the Soviet Union and China. Its own coal and steel production was insufficient, and it was clear that West-European production could not be boosted significantly without the support of the German economy. And this was unthinkable unless France would agree.

The participants in the European Coal and Steel Community would remain at the core of all subsequent integration activities.

Overstretching

The impressive success of the ECSC incited "Europeanist" circles to try to extend supra-national decision making.

But they tried to bite off more than they could chew. Efforts between 1950 and 1954 failed spectacularly to create the planned European Defence Community. The stumbling block was the historic question of German re-armament. Even within a wider European structure, this was still too unpopular. The political fall-out from this failure had a long-lasting effect.

The Treaty of Rome (1957) re-launched the integrationist initiative. It created the European Economic Community (EEC). The aim was to gradually establish a total common market, by abolishing internal barriers, and creating a common external tariff policy. The only supra-national interventionism introduced by the treaty was the Common Agricultural Policy (CAP).

The Treaty of Rome was based on the principles of economic liberalism. Employment, prosperity and other social objectives were mentioned, but they did not have the same weight as in documents from the 1940s. There was nothing in the Treaty of Rome to inflame the crowds, and nothing to frighten them either. It was essentially concerned with increasing commercial exchanges in Western Europe, and with political convergence between the six original members of the European Coal and Steel Community. The Treaty also made possible the creation of Euratom, through which European capitalism would try to catch up with the USA in nuclear technology and nuclear energy.

For the next thirty years (1957-86), there was little or no further European integration. The most significant event was the 1972 signing of a monetary agreement, which in 1978 became the European Monetary System. This was an attempt to stabilise the relationship between the different currencies of the EEC. It was a response to the American government's unilateral withdrawal from the Bretton-Woods agreements (1944-1971), which introduced a greater degree of turbulence into monetary and financial markets.

The shift to the European Union

A major shift took place between 1989 and 1992. The adoption of the Single European Act (1986) introduces 3,000 practical measures, designed to implement the general objectives specified in the Treaty of Rome. It specified a target date, 1 January 1993. The French social democrat Jacques Delors, President of the European Commission, convinced western Europe's dominant classes of the political importance of the project, and transformed it into a series of plausible policies. The neo-liberal wave of the Thatcher-Reagan years, and the major shift in the world situation represented by the fall of the Berlin Wall, the defeat of the working class in the East, and the political triumph of capitalism, cleared the path for the introduction of the single market.

Then came the Maastricht Treaty, adopted in December 1991, signed in March 1992, and coming into force in November 1993. Just as the European Monetary System explodes. Despite this, the Maastricht Treaty succeeds in giving the bosses' and governments' offensive sufficient coherence and energy to continue.

The de-regulation imposed by the Single Europe Act was not counter-balanced by restrictions and obligations in the social field. This places the working classes of the various member states in generalised competition with each other. The Maastricht Treaty's monetarist convergence criteria begin systematically undermining the welfare state.

The latest treaty is the Dublin Stability Pact, which aims to prevent future deviation from or challenge to this strategy.

The situation today

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Monetary union implies the creation of real supra-national mechanisms, with a transfer of national sovereignty to an independent European bank. Monetary union is due to begin in 1998. Meanwhile, the admission of several central and east European countries to the European Union implies extending the area covered by the single market.

These two processes give rise to a crucial question. How to maintain the political cohesion of a European Union which is facing contradictions within the core group over monetary union and its consequences, and which must at the same time deal with an immense geo-political region stretching from the Atlantic ocean to the frontiers of Russia, and from the North Pole to the Mediterranean.

The Inter-Governmental Conference has not answered this question. The challenge is huge. Barely 100 years after they established independent, imperialist states, will the German, French and British bourgeoisies now be able to take an unprecedented leap, abandoning part of their power, and creating a stable, supra-national state authority?

[1] The agreement was prepared in 1950, and signed in 1951.

[2] Benelux is an acronym for BElgium, NEtherlands, LUXemburg.

[3] Introduction to the Treaty.