

March 22, 2007

## EVOLUTION OF THE EUROPEAN UNION

Happy 50th, EU

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ILLUSTRATION: ADAM LEE

FIFTY years ago, on March 25 1957, political leaders from old rival European countries met at the Capitol building in Rome, which symbolised the glorious past of the Roman Empire, to launch Europe on a new venture.

They approached the Capitol under the watchful eye of Roman emperor Marcus Aurelius (AD161-180) in the centre of a small oval square designed by Michelangelo.

The philosopher emperor had consoled himself by committing his innermost thoughts to paper, in a renowned book known as *The Meditations*. It was to be almost 1,800 years before there was a resurrection of the prosperity and stability that had reigned in his time. But when it came, it was a victory for magnanimity and tolerance.

Between 1870 and 1945, Germany and France tried to destroy each other three times. Some historians call these wars the European civil wars, others Europe's suicide attempts, while yet others point to the harmful effects of nationalism and fanatical political ideologies.

What today is the European Union - in its first phase, it was called the European Economic Community - has given global politics and economics three major breakthroughs.

The first is that old enemies can and should forgive each other. France, one of the victors in World War II, took the initiative to include Germany in the construction of post-war Europe. Both countries realised that further bloodshed or even economic rivalry would harm them, while cooperation would open the door to a peaceful, stable and prosperous

Europe.

Over the years, the two countries have quarrelled over the distribution of economic advantages and burdens within the EU, they have disputed the EU's foreign policy and they have competed for markets for their products. But both have stayed together as drivers of European integration.

The second is that confrontation, crisis and conflicts can be replaced by cooperation, consensus and compromise. What the Europeans achieved was a brand new idea in international politics: negotiations not geared to gain advantages for particular countries, but to enlarge the sum of potential benefits for all. The Europeans invented a plus-sum game.

The third may be rated by history as the true political invention. Not only is the EU a rule-based international venture, but it is founded upon the pooling of sovereignty.

There are many explanations for this bold invention. Europeans realised early that when politics and economics become more and more global, individual countries stand little or no chance of safeguarding their interests in splendid isolation.

Just think of capital movements. What can a European country, even the bigger ones, do alone against the market? As was seen in the second half of the 20th century, nothing.

What at first glance might have seemed to be a reduction of the nation state's room for manoeuvre was in fact the opposite. The nation state enhanced its capabilities of defending its own interests by pooling its sovereignty with others. Do not be mistaken. States have not joined the EU to give away power; it is the other way around.

These achievements speak for themselves. The first stage of the EU's evolution gave it a common market, a common agricultural policy and a common external policy. This was all done in under 10 years.

Next came the single market, designed to remove the remaining obstacles to trade and to gain the advantages of an enlarged market.

The most obvious example of the EU's path-breaking nature is the creation of its single currency, the euro, in 1999.

Many observers overlook the fact that it took the Europeans 30 years - from 1969, when the idea was first mooted, to 1999 - to get from the drawing board to reality, but they got there.

Despite all gloomy predictions, the euro has been with us for eight years now. And a number of central banks around the world are busy switching some of their US dollar-denominated assets into euros.

The Europeans are also trying to sketch a common foreign and security policy. In many respects, they have. But there are shortcomings. When having to take a stance with regard to crucial issues such as the Iraq War, the Europeans have not risen to the occasion. National interests, prejudices and old ingrained attitudes have surfaced.

But look at the tangible results the EU has achieved in the Balkans, in Aceh and in Africa with peacekeeping operations. Maybe Europeans will move towards a genuine common foreign and security policy like a crab - sideways and sometimes backward, but always going forward.

As judged by history, the EU has made fantastic progress. Yet it seems to be in crisis. The proposed Constitution was rejected in 2005 by a majority of the voters in France and the Netherlands. Does that mean the EU is facing a major crisis?

Let me give three answers to that question.

- The work to adopt new European legislation has not stopped. Recently, the EU agreed to important new legislation on the opening of markets for services.
- After the French presidential election next month, a

determined and serious attempt will be made to agree on a new treaty as a replacement for the proposed EU Constitution.

- In the long run, popular support is indispensable for the EU, and the key to popular support is to show that standards of living, human security and daily life all benefit from integration. This is a tall order, not the least because the problems people see in their daily lives vary from member state to member state.

In Ireland, which has full employment, not many give priority to improved conditions for employment. But in France and Germany, where unemployment is at 10 per cent, they do.

The insecurity over identity introduced to the Europeans by immigration is another sensitive and emotional issue.

The challenge for Europe's political leaders is to switch the focus of integration from the grand designs of yesterday to the problems that ordinary people meet in daily life. We will see whether Europe today has political leaders of the same calibre as 50 years ago.

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