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European Union - Impasse, Compromise and Development

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Abstract: If the European construction has been considered, for a long time, a “success story” in its evolution took place and a series of impasses that led to a blockage and so to crisis. This paper aims at making a chronological approach of the idea of “compromise” in European Union history, the compromise as a form of elites negotiations, the compromise as the generator of measures that led to solutions for the “relaunching” of European construction. The research is based on deductive and inductive analysis, comparative and case study. Thus, are concerned, from a comparative perspective, the Luxembourg compromise, Fontainebleau and Ioannina, as many moments that have resulted in solutions as consensus of European elites for effectiveness of European institutional mechanism. In the same time, this paper is an approach focused on the evolution of the relationship federalism- intergovernmentalism. The results of the analysis made in this paper show us that these compromises, as forms of negotiations, were in favor of the intergovernmentalism followers and had declined, as a result, from the Europe of Jean Monnet and from the ideals of the Community.

Keywords: negotiations; consensus; evolution and development; intergovernmentalism; European construction.

1. Introduction

European Union, like its ancestor the European Community, was approached from several perspectives: the historical evolution of the idea of United Europe, the EU legislative framework, the institutional system, European policies, etc.

But a closer analysis notes that in the 62 years of existence (from the Schuman Declaration of 9 May 1950), the EU was marked by a series of impasses, small or large, some of them remaining in history as the famous “compromises” that were finalized by solutions aimed the decision-making mechanisms within the institutions (especially, the Council of Ministers) and European policies (especially, Common Agricultural Policy).

European Union is characterized by a permanent negotiation activity being a union of interests. In this respect, in EU there is the decisional institutional triangle formed by the Council of Ministers, the European Commission and the European Parliament who represents, also, a “triangle of interests”.

Although the responsibilities and attributes of the institutions, their autonomy and the cooperation between them were regulated by treaties, there were moments when one or another were more strongly felt in the decision making process.

Here it should be noted that a special role was played by leaders who have been leading them. One thing undeniable, is that personalities like Jean Monnet, Robert Schuman, Charles de Gaulle, Altiero Spinelli, Margaret Thatcher, Jacques Delors, Simone Veil and others through their leadership gave visibility and prominent to the action and prestige of institutions.

Or, what it was wanted, what that the institutional triangle to be a balance of interests.

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Thus, the European Commission defends the Community interest, the EU Council of Ministers defends the interests of member states, so, the national interests and the European Parliament defends the interests of the EU peoples, and today, by the Treaty of Lisbon, defends the interests of European citizens.

So, those who led these institutions would negotiate their interests under the rules and regulations established by the Treaties.

This triangle of interests is also highlighted through its composition: thus, the interests of the member states are protected by the national government ministers of the member states (generally named by those who have won the elections), the European interests are defended by the Commission members who are appointed by member states representatives and work together, uniform, based on the principle of collegiality (so, not a legitimacy given by a popular vote) and the interests of citizens are protected by the European Parliament whose members, the euro-deputies, are elected, since 1979, by direct, equal and secret vote, so, they have a strong democratic legitimacy.

And there is the European Council, an institution with political role, consisting of heads of state and government, who are also elected and legitimized by popular vote, giving the outline of the Union's development.

In order to fulfill their interests, they have to negotiate all the time. Thus, the history of institutions involved in decisions regarding the EU, the member states and its citizens is a history of negotiations.

Of course, negotiation is for two reasons: to create what not a single part can achieve by its own means and to solve a problem or, sometimes, a dispute between the parts.

According to some authors, “negotiations are carried out in the competitive processes of peaceful talks by two or more parts who agree to pursue together in achieving the optimal and safe targets, set in an explicit solution, commonly agreed.” (Malița, 1972, p. 147).

A successful negotiation involves the management of tangible items (measurable items which are the objectives of an offer) and intangible elements (intangible factors are deep psychological motivations, reputation, values, beliefs and convictions, etc.).

2 Events

During the development of European construction there have been periods marked by the rise of federal ideas or by the affirmation of intergovernmentalism concepts.

In the first part of its existence, the Community has developed a supranational dynamic, and especially the legal European integration, the legal frame, had a remarkable boom.

But, in terms of political decision-making procedures, there was a reverse evolution, a way toward intergovernmentalism and a distancing from European integration. Following the goals of this paper, we have to emphasize, that European integration was a constant process of negotiations and the impasses were solved by compromises.

2.1 The Luxembourg Compromise

In the 60s, the problem of further accessions to the Community found a stern opponent, General Charles de Gaulle, who was at the helm of France, so that the French nationalism and its commitment to intergovernmentalism blocked the enlargement.

De Gaulle wanted a “Europe of homelands”, a Europe of sovereign states, far from that envisioned by Monnet, and far from the United States of Europe.

Thus, De Gaulle opposed to any attempts of creating a “federalist fiction” (Păun et al, 2005, p. 192).

De Gaulle, who did not agree the federalism vision, sought to use the Community to strengthen the power of France and its aspirations as leader of Europe and by using the veto power blocked the negotiations for enlargement of the Community with Great Britain, Norway, Denmark and Ireland (Pinder, 2005:15). But this was only the beginning because a more serious trouble arose in 1965 relating to the Common Agricultural Policy (CAP). CAP should be based on price support, issues which require substantial public expenditures. Both France and the European Commission agreed that these subsidies to come from the Community budget and not from the member states.

But the Commission, with its federalist orientation, insisted that the government spending to stay under parliamentary control, and not of the parliaments of the six states, but under control of the European Parliament.

This solution was accepted by the other countries, except France.

Refusing the institutional proposals of the Commission, De Gaulle forbade ministers to attend Council meetings and the French government left the negotiations on July 1, 1965, practicing so-called “empty chair policy” (Quermonne, 2005: 16).

In this context, neither side was ready to give up so that this episode was concluded by “finding disagreements” on January 29, 1966, situation which is known as the “Luxembourg compromise”, one of the first great crisis in the history of the Community (Courty and Devin, 2001, p. 25; Weiler, 2009:42).

The compromise meant that, whether a member state declared that its fundamental national interest was at stake in a given situation, a solution could be accepted only if unanimous agreement was reached (Horváth, 2007: 36).

This institutional crisis revealed a conflict of goals and proved that the interests of member states were not to leave an initiative (a construction) mutually profitable. It was seen, by all, as an opportunity for economic growth, and especially it shows the use of Europe is a way to recoup the political, economic and social costs that involves any modernization (Courty and Devin, 2001, p. 26).

This constant preoccupation is expressed, as we have seen, through negotiation strategies tend to persuade others to support some specific obligations. So, the conclusion is that nationalist fundamentalism has left place for pragmatic intergovernmentalism (Pinder, 2005, p. 16).

Although foreseen in the original treaties, the qualified majority voting is canceled in practice by Luxembourg compromise. However, from the second half of the 1980s, following the adoption of the Single European Act, the compromise was suspended, as the Act stated, explicitly, when decisions could be adopted by qualified majority and when they required unanimity (Jacqué, 2006, p. 321).

2.2 The Fontainebleau Compromise

A new period of impasse for EU began when, in 1979, Margaret Thatcher became prime minister and put the foundation of a stormy relationship with the Community struggling for the intergovernmentalist principles.

The famous “*Give my money back!*” launched at summit of the European Council in Dublin, in September 1979, was the first message announcing a combative agenda in the Community (Bino, 2001: 204). In her original and unique style, Margaret Thatcher led the attack against the budget, asking questions about who has to win and who has to lose from it. Of course, budgetary gains and losses are only a small part of the balance sheet of EU membership.

According to some authors, Thatcher did not believe in the political dimension of integration and never thought to the losers of market integration (Tsoukalis, 2005, p. 57).

The “British problem” with reference to UK contribution to EU budget was raised by British prime minister, Margaret Thatcher, all European Council meetings, leading to the situation that at the summit from December 1983, could not be adopted any final statement.

But the turning point is considered the Fointainebleau European Council from 25-26 June 1984 when the “British problem” has been solved and it was decided to be appointed at the leadership of Commission the Frenchman Jacques Delors (Bino, 2001, p. 223).

Delors's appointment gave new impetus to the European project. If Thatcher was considered the heir of the Gaullist tradition, Delors was seen as defender of Monnet's Europe.

After 1985, when it began the reviewing of the existing constitutional framework, the enthusiasm for integration increased.

In 1986, it was signed the Single European Act (SEA) - the first major revision of founding treaties - which affected the activities of the Community through the changes of decision making process, in the way of the extension of qualified majority voting, created the co-decision procedure, set a deadline for achieving objectives of the Common Market and incorporated the European Political Cooperation within the framework provided by the treaties.

2.3 *The Ioannina Compromise*

In the 80's, the EU enlargement has continued, leading to 12 members. Greece took the presidency on January 1, 1994, and during this time discussions were held on a new enlargement with the accession of Austria, Finland, Norway and Sweden. European Union was ready to receive, on January 1, 1995, the new states and on the agenda was the issue of the use of qualified majority in a Community with 16 member states. But Norway's membership has fallen since on November 28, 1994, the referendum gave a negative answer.

As a consequence, the decision taken at the meeting in Ioannina had to be modified in order to correspond to the functioning of the EU with 15 countries.

In this context, the discussions and negotiations aimed at the definition of qualified majority voting and the votes re-weighting. The application of qualified majority voting was hampered again by so-called „Ioannina compromise”, which was introduced, especially, under British pressure.

This compromise was embodied by the Council Decision from 29 March 1994 establishing that, if some members of the Council of Ministers, whose votes combined total between 23 votes (the old blocking minority threshold) and 26 votes (new threshold), expressed their intention to oppose to a decision of the Council, by qualified majority vote, the Council will do its best to reach, within a reasonable time, at a satisfactory solution, then could be adopted by at least 68 votes out of 87 (Jacqué, 2006: 326).

Subsequently, by the Treaty of Nice, the votes were re-weighting and Ioannina compromise canceled.

But Ioannina episode was a symptom that would give a serious warning upon future serious situations that would arise in the institutional field (Bino, 2001, p. 223).

Thus, the Treaty of Lisbon explicitly refers to the decision starting with November 1, 2014, and defines the new qualified majority when it meets at least 55% of the votes in the Council from at least 15 states and representing at least 65% of its population.

The new calculation method will be complemented by a similar mechanism as “Ioannina compromise” which should allow a small number of member states (close to blocking minority, which can be composed of four states) to express opposition to a decision (Dumoulin, 2005, p. 67).

In such a situation, the Council must do all that is within its power to achieve, within a reasonable time, a mutually satisfactory solution.

2.4. A synthetic view

The history of negotiations and compromises can be presented in a summary table which includes periods when they occurred, the actors involved, the subject that caused disputes and the consequences.

Tabel 1. The EU compromises synthetic model

The event	Period	Actor	The disputed subject	The consequences
Luxembourg Compromise	1965-1966	France, Charles de Gaulle / The french problem	Common Agricultural Policy	Canceled by Single European Act (SEA)
Fontainebleau Compromise	1979-1984	Great Britain, Margaret Thatcher/ The british problem	The bugetary contribution	SEA, The Common Market New President of the Commission
Ioannina Compromise	1994	The Council And The 12 member states	Enlargement and the votes re-weighting Qualified majority voting Blocking minority	Canceled by Treaty of Nice Treaty of Lisbon introduce a similar mechanism as "Ioannina compromise"

3 Conclusions

The history of European construction had periods of dynamic integration, of slowdown and impasses.

Tensions that occurred in the construction were due to tendencies between governmental approach, on one hand, and federalist, supranational approach, on the other hand, causing distinct periods, specific only to EU and came to be known as "compromises" and dominated by certain issues or matters: French problem, British problem, etc.

The institution, at the center of attention, was the Council of Ministers, which defends, as we noted, the interests of governments of member states, involving, in this way, national actors.

Thus, in the negotiation of interests, the results depend on the quality of the negotiating teams, the firmness of heads of state and government (eg. De Gaulle, Thatcher), the influence of certain networks or groups of lobby (eg. Like Movement for United States of Europe the Jean Monnet when creating the European Council) (Courty and Devin, 2001, p. 53).

The consequences of the Luxembourg compromise on the functioning of the institutions were very important. The veto slowed the decision-making procedures, not only in the Council but also in the preparatory courts used it at the national officials, blocking them to study a problem from the initial stages. The role of the Commission has diminished while the Council has always acted unanimously, it could always reject the Commission proposals. So this almost systematic recourse to unanimity was the cause that led to a blockage of institutions.

The adoption of the Luxembourg compromise emphasised the intergovernmental character of the Council.

An evolution occurred with the Treaty of Amsterdam and Nice which have pursued this issue and extend the qualified majority system in the Council. Then, the voting system in the Council of Ministers is changed by the reform treaty in order to reflect both states and peoples will as well.

Or in other words, the vote reflects the will of the majority of European citizens and the reality of power member states.

Another interesting thing is that, during recent negotiations for ratifying the Treaty of Lisbon, Poland has received to include the so-called “Ioannina clause” in an additional protocol to the treaty text, in order to give greater legal weight. Poland received guarantees that a smaller group of countries can delay certain decisions of the European Union which does not agree with.

So, after almost 60 years from the Schuman Declaration, the compromise is back in force, and at the request of Poland it and can be invoked anytime.

The compromise showed both the capacity of leaders for negotiation and the will to give the EU to go further, even for a short period the national interests prevailed.

As a conclusion, the relationship between the Union and Member States is not a “zero sum” and can be considered that the evolution of European integration is marked by moments of progress and setback, the role of exit from the impasse is the win-win negotiations that are the privilege of leadership.

4 References

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