

Foundations of the European Union

Precursors to the European Union

- European Coal and Steel Community (1950)
 - Belgium, France, Germany, Italy, Luxembourg and the Netherlands
 - Based on the Schuman Plan
 - Placed heavy industry under common management
 - Made it so countries could not secretly produce heavy weapons
- European Economic Community (EEC) (1957)
 - Common Market agreement established by the Treaty of Rome
 - Allows for people and goods to move freely over borders for 12 year Period
 - Increased Economic Cooperation and Cultural Exchange
- Common Agricultural Policy (1962)
 - Opens up agriculture
 - Standardizes Agricultural prices

Influence of the Cold War

- Following World War II the nations of Western Europe increasingly depended on each other against the impending threat of the Soviet Union
 - Formation of NATO in 1949
 - Military cooperation and mutual protection



Cultural Collaboration




- Beatle Mania (1963)
 - Common music for post-war children ('baby boomers')
- Erasmus Scheme (1987)
 - Allows European students to study in universities in other countries for one year
 - Sets framework for similar programs later
- Schengen Agreement (1995)
 - Travelers can pass between these countries without having to go through passport control

Economic Unification

- European Monetary System (EMS)
 - European Currency Unit (1979)
 - Locks European currencies together
 - Steps towards single currency
- The Euro
 - Digitally introduced Jan 1999
 - Financial and Commercial Transaction
 - Belgium, Germany, Greece, Spain, France, Ireland, Italy, Luxembourg, the Netherlands, Austria, Portugal and Finland
 - Denmark, Sweden and the United Kingdom stay out
 - Paper money goes into circulation Jan 1, 2002



European Union countries' currency status

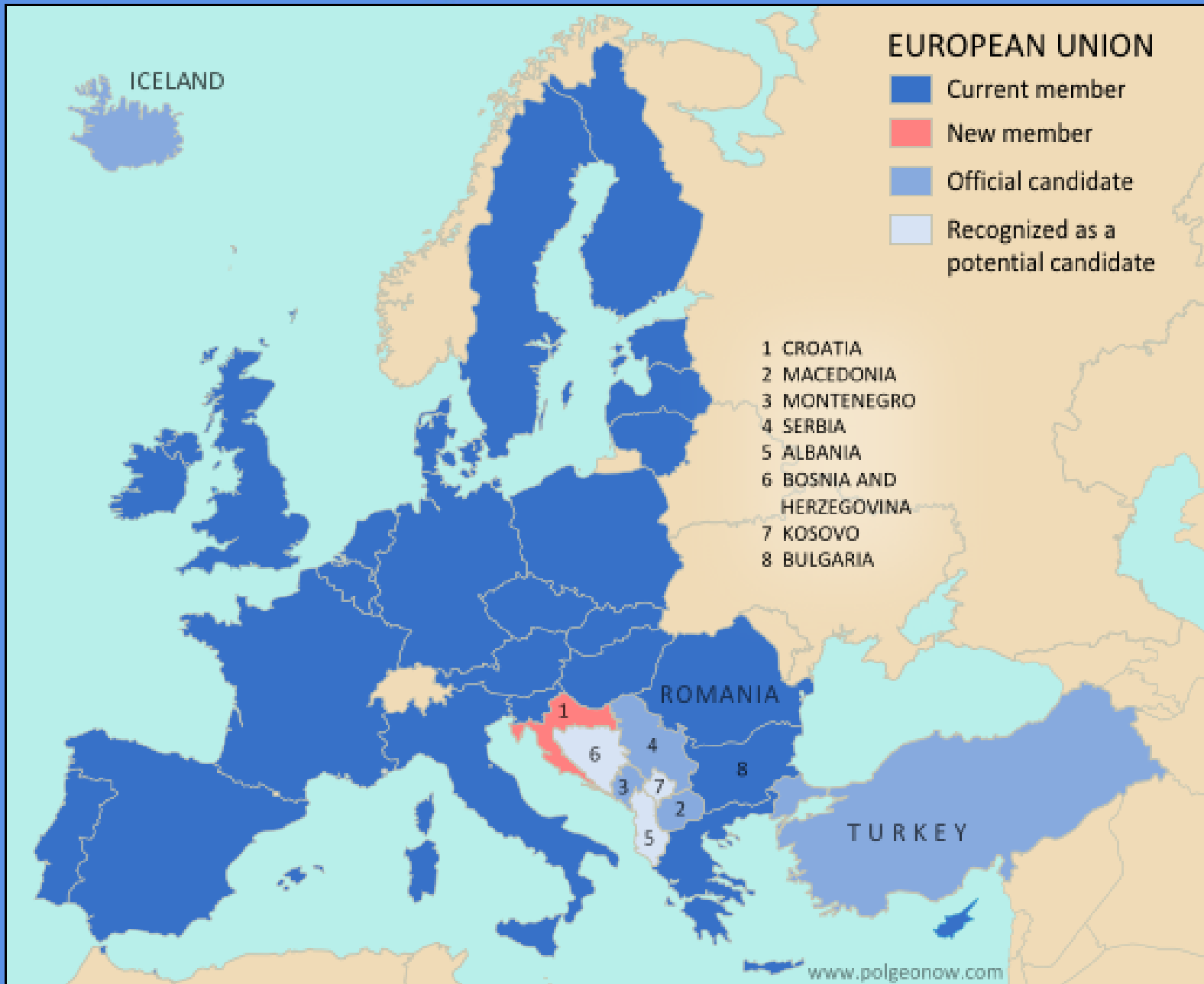
-  Euro area
-  Currency pegged to euro
-  Floating currency



Treaty of Maastricht

- Established Rules of Union to be established
 - Allows for single currency
 - Foreign and Security Policy
 - Justice and Home Affairs
- Established name as European Union
 - Inner Six – France, Belgium, Luxembourg, Netherlands, Italy, Germany





The British Question

- Britain has questioned its role in Europe, and has faced opposition from within Europe
 - Initially refused to join EEC
 - Early attempts to join blocked by French
 - Britain forms European Free Trade Association (EFTA) with Sweden, Switzerland, Denmark, Portugal, Norway, and Austria
 - Early member – Voted to leave Eurozone in June 2016
 - BREXIT
 - Never adopted Euro

