

The Treaties of Rome (1957)

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On 25th March 1957, two treaties were signed in Rome that gave birth to the European Economic Community (EEC) and to [European Atomic Energy Community \(Euratom\)](#): the Treaties of Rome. The signatories of the historic agreement were Christian Pineau on behalf of France, Joseph Luns from the Netherlands, [Paul Henri Spaak](#) from Belgium, [Joseph Bech](#) from Luxemburg, Antonio Segni from Italy and [Konrad Adenauer](#) from the Federal Republic of Germany. The Treaties were ratified by National Parliaments over the following months and came into force on 1st January 1958.

The Treaty establishing the EEC affirmed in its preamble that signatory States were "*determined to lay the foundations of an ever closer union among the peoples of Europe*". In this way, the member States specifically affirmed the political objective of a progressive political integration.

In fact, the brand new institution was a customs union. As a consequence, the EEC was colloquially known as "Common Market". The member countries agreed to dismantle all tariff barriers over a 12-year transitional period. In view of the economic success that freer commercial exchanges brought about, the transitory term was shortened and in July 1968 all tariffs among the EEC States were abrogated. At the same time, a common tariff was established for all products coming from third countries.

As a matter of fact, the common market meant exclusively free circulation of goods. Free movement of persons, capitals and services continued to be subject to numerous limitations. It was necessary to wait until the [Single European Act](#), in 1987, when a definitive boost was given to establish a genuine unified market. This brought about the European Union Treaty in 1992.

The other essential agreement included in the Treaty of Rome was the adoption of a [Common agricultural policy \(CAP\)](#). Essentially, the CAP enacted a free market of

agricultural products inside the EEC and established protectionist policies that guaranteed sufficient revenues to European farmers, avoiding competition from third countries' products by guaranteeing agricultural prices. With the aim of financing the CAP, the European Agricultural Guidance and Guarantee Fund (EAGGF) was established in 1962. The [CAP](#) has continued absorbing most of the community budget, and its reform has been one of the most badly needed in recent years.

The Treaty of Rome also established the prohibition of monopolies, some transport common policies, and the grant of some commercial privileges to the colonial territories of the member States.

The Treaty of Rome signified the triumph of a very realistic and gradualist approach to building the EU. This method was personified by [Jean Monnet](#). The failure of the CED demonstrated that tremendous obstacles lay in the path of the final construction of a political union. Consequently, the new strategy sought to adopt a process of integration that gradually incorporated diverse economic sectors and that established supranational institutions with increasingly political competences.. The EEC from its birth was based on a series of institutions: the [European Commission](#), the [European Commission](#), the European Assembly, later known as [European Parliament](#), the [Court of Justice](#) and the [Economic and Social Committee](#), whose competences were enlarged and modified in the diverse agreements and treaties that succeeded the Treaty of Rome.

To sum up, a process put in motion in which progressive economic integration was paving the way to the long term objective, the political union.

The Treaty that instituted the [EURATOM](#) tried to create the conditions for developing a strong nuclear industry. It was much less important than the treaty that brought into existence the EEC and, in fact, when people speak about the treaties of Rome refer, incorrectly, to the one which established the EEC.

The "British problem" and the enlargement of the EEC in 1973

The absence of the United Kingdom constituted the main political problem that the EEC had to face in its early years. The British government refused to participate for different reasons:

- The importance of its commercial, political and, even, sentimental bonds with its colonies and former colonies, most of them integrated in the Commonwealth;
- Its refusal to join a customs union. The British government defended the establishment of a free trade area, in which the internal customs rights were abolished, but national governments would maintain their competences of enacting their own tariffs with regard to third countries;
- The fact that Britain was totally opposed to embarking on a project whose long-term aim was to surrender the sovereignty of national states to supranational European institutions. In other words, the British were, and many of them still remain, very far from the objective of an European political union.

After negotiations to integrate Britain in the EEC broke down, the British government proposed the foundation of the European Free Trade Association (EFTA), Sweden, Switzerland, Norway, Denmark, Austria and Portugal joined to that new organisation. It fell far short of any project of political integration, and constituted a mere free trade area.

Shortly, Britain realized its mistake. Whereas the EEC witnessed a spectacular economic growth, with growth rates in the sixties clearly superior to those in America, Great Britain continued its downward trend in relation to the Continent.

Therefore, in August of 1961 the British Prime Minister requested the beginning of negotiations on accession to the EEC. However, after starting negotiations, the French leader, [Charles De Gaulle](#), in 1963 vetoed British accession to the EEC. He was resolved to build up a *Europe of the homelands* that would become a third superpower between the USA and the USSR, and was suspicious of the Britain's close bonds with Washington. In 1967, when British Labour prime minister, Harold Wilson, again requested to join the EEC, the French general once more banned the accession of the United Kingdom.

[De Gaulle](#), in spite of defending a strong Europe before USA and USSR, never believed in a politically united Europe. In his view, the national independence of France, the country that he tried boldly to maintain in a role of power, was an non-negotiable question. [De Gaulle](#)'s nationalism brought about the *empty chair crisis* in 1966 that kept paralysed the Community for seven months and that, finally, concluded with the *Commitment of Luxemburg*. France resumed its place in the Council in return for keeping the unanimity vote when major interests were at stake.

Only the resignation of [De Gaulle](#) in 1969, for reasons of home affairs, opened up the possibility of British accession.

After overcoming the tough opposition of a significant section of the British public that claimed to maintain an anti-European stance, negotiations came to an end in 1972. Eventually the United Kingdom joined the EEC. Denmark and Ireland accompanied it. The *Europe of the Nine* was born.

The Norwegian people, contradicting their own government's opinion, voted against entering the EEC. Henceforth, Norway has since stayed apart from the Community.

Progress in European integration and the enlargement to the "Europe of the Twelve" (1973-1986)

The 1973 economic crisis put an end to a period of impressive economic growth that European countries had enjoyed for a long time. Unemployment, inflation and crisis of traditional industrial sectors characterized the economic landscape of the EEC in the second half of the 70es and early 80s. In spite of the fact that some journalists coined the terms *eurocepticism* and *eurosclerosis* to refer to an integration process that seemed to fade, the fact was that, over these years, important advancements took place. Not only was a higher level of integration achieved, but the process of [enlargement](#) proceeded.

These were the key advancements:

- From 1975 the denominated [European Council](#) was instituted as a periodical meeting of Heads of State or Government. This was to be the institution where major long-term decisions would be agreed.
- In 1979, the European Monetary System (EMS) came into force. At the same time, the European Currency Unit (ECU), direct predecessor of the Euro, was born. Member countries' currencies were tied in a narrow 2.5% band of fluctuation and national governments committed to coordinate their monetary policies. It was the first significant step toward monetary union.
- First elections to the [European Parliament](#) by direct universal suffrage were held in 1979.
- The end of military dictatorships in Greece (1974), Portugal (1974) and Spain (Franco died in 1975) made possible the accession of these nations. Greece, in 1981, and Spain and Portugal, in 1986, became new members of the EEC. The Community was enlarged toward the Mediterranean Europe. Spain managed to accomplish an old aspiration.
- In 1984, a group of European MPs, chaired by the Italian [Altiero Spinelli](#), introduced in Parliament a project of *Treaty of the European Union*. They intended to obtain the approval of a new treaty that substituted the old one signed in Rome and that constituted a great advancement in the European integration. In spite of not being passed by the governments, the scheme's merit was that it anticipated the debate on the main advancements that would take place in the 90s.
- In 1985, the three countries of the Benelux, France and Germany signed the [Schengen Agreement](#). Most of the member States would join in subsequent years. It constituted the beginning of an ambitious initiative to guarantee the free movement of persons and the gradual removal of frontiers among the community States.

In the second half of the 80s, the integration process received an important political impulse, largely due to [Jacques Delors](#). A French socialist, he was elected [president of the European Commission](#) in 1985. The first step was the enacting of the [Single European Act](#) in 1986.