Origin

y's European Union (EU) came into existence in 1993, after the Masstricht Treaty,—signed in in the Dutch city of Masstricht to form the EU,—was ratified by the national parliaments of ve signing countries. The recent Lisbon Treaty that was signed by member-states in Lisbon, the al of Portugal, in December 2007, made the EU more efficient and effective to take on the lenges of the twenty-first century. The treaty finally came in to effect in December 2009. It made ral significant reforms in the structural and functional areas of the EU, to make it a new-look nization compared to what it was after the Masstricht treaty. The reforms made by the Lisbon ty will be analysed later, but before that, we must know about the origin of the European Union.

he formation of the EU was the outcome of a long historical process that started after the Second ld War. The formation of a regional organization in Europe for economic growth after the ond World War was the brainchild of two French politicians, Jean Monnet and Robert Schuman. y planned the formation of this organization to control and enhance business related to coal and l, the two principal items for industrial development at that time. This idea, which later came to known as the Schuman Plan (Schuman was the Foreign Minister of France), was materialized ough the creation of the European Coal and Steel Community (ECSC) in 1950. France, Germany, y, and three Benelux countries—Belgium, Netherlands and Luxembourg—joined hands to form ECSC. Its purpose was to bring the coal and steel industries of these six countries under one gulatory authority to maintain uniform rates in buying and selling of coal and steel, and to control ese industries in the six countries. The ECSC was largely under private control, and its nagement used to keep close links with the Labour Unions of coal and steel industries.

In 1952, the six members of the ECSC formed a European Defence Community (EDC) by another eaty. The objective of the EDC was to create a Unified Military Command in Europe with ntribution of defence personnel from members of the ECSC and other willing states. But the ified military command could not be created due to differences of opinion between France and ritain. The ECSC countries also attempted to form a European Political Community in 1953, but is plan too failed due to differences among member-states. A major step towards a unified Europe as the Treaty of Rome of 1957. By this treaty, the ECSC countries formed two very important egional organizations of Europe, the European Atomic Energy Community (also known as the Euratom) and the European Economic Community (EEC). It may be mentioned here that the ECSC was the first regional organization in Europe after the Second World War, and its members endeavoured to build the concept of a 'unified Europe'. It was due to their efforts that the Euratom and the EEC were formed. The EEC later came to be known as the Economic Community (EC), and also as the Common Market of Europe, where trade without barriers, political or economic, could b carried out. It was considered the real predecessor of today's European Union, because the concept c economic integration on a regional basis was introduced for the first time in the EEC. The idea of Free Trade Area (FTA), which became popular in the era of globalization, was mooted successfully i Europe by the EEC. Similar to the EEC, the EU today is also trying to achieve economic integration for Europe.

In accordance with provisions in the Treaty of Rome, a Customs Union was created by the ECSC members in 1969. The main objective of this union was to achieve a unified rate of tariffs for its members. The concept of common market was also introduced by these members, and the common market facilitated the unhindered movement of goods, labour and capital among the six countries. Ir 1960, a Common Agricultural Policy (CAP) was created by the EEC to regulate agriculture-related activities and business. The idea of the common market gradually became popular in Europe, and three more nations, Britain, Ireland and Denmark, joined the EEC in 1973, Greece joined in 1981, and Portugal and Spain in 1986. The community started to become truly 'European' with the joining of new members.

The Treaty of Rome (1957) was drastically amended in 1986, and the Single European Act thereby passed to expedite the process of a unified Europe. In 1987, the European Parliament was made more representative by allowing more members to become part of it. The European Court of Justice (ECJ), established in 1957, was also strengthened. It was given the power to annul any national law that might contravene the Single European Act. Experts consider the ECJ more powerful than the International Court of Justice of the United Nations. The amendments made in the Treaty of Rome in 1986 immensely helped in consolidating the concept of the integration of Europe, and paved ways for the creation of a European Union.

In 1991, twelve EEC members met in Masstricht to further strengthen the concept of an integrated Europe. These twelve members were Belgium, Britain, Denmark, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal and Spain. A treaty was signed in Masstricht to change the name of the European Economic Community to European Union. It was decided that this treaty would come into effect after the national parliaments of the twelve signing members ratified it. This ratification process took two more years, and the European Union came into existence on 1 November 1993, after the ratification process was complete. In 1995, the Schengen Treaty was signed by members of the EU to facilitate borderless travel, which effectively means travel across the member states with a single passport. The Masstricht Treaty not only created the European Union, it also outlined the future programmes of the organization. It set three major goals for the EU. The first of these goals was the creation of a monetary union for the EU, whose main objective would be to introduce a common currency for member-states of the union instead of separate national currencies. Accordingly, 'euro', a common currency, was introduced in 1999 in several member-states. It replaced the earlier national currencies (like Franc, Lira or Marc) of these states. At this moment (2010), euro has been accepted by sixteen member countries of the EU, and more are likely to introduce this common currency. The second goal set by the treaty was the creation of a European Police Agency (EPA) to check various types of crimes, mainly in the border areas. The third objective is to achieve political and military unity of Europe. A unified military command and a common foreign policy for member-states are parts of this objective. But this third goal would be difficult to realize for the EU because it might infringe upon the sovereignty of member-states. Nevertheless, the introduction of the euro in several states and the creation of the EPA are major achievements on the part of the European Union, which has consolidated itself as a regional organization, helped immensely by sixty years (1950–2010) of invaluable experience in regional integration in modern times.

Membership and Organizational Structure

From twelve in 1993, the membership of the European Union has risen to twenty-seven at present. Membership will expand further as a few candidates like Croatia, Macedonia and Turkey will join the union soon. The present twenty-seven members are: Austria, Belgium, Bulgaria, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and the United Kingdom. The EU has named Albania, Bosnia-Herzegovina, Montenegro and Serbia as potential candidates. To join the EU, a country must meet the Copenhagen criteria, defined at the 1993 Copenhagen European Council meeting. These criteria include: (1) a stable democracy which respects human rights and the rule of law; (2) a functioning market economy capable of competition within the EU; and (3) the acceptance of the obligations o membership, including EU law. Evaluation of a country's appeal for membership and fulfilment of the criteria is the responsibility of the European Council.

The organizational structure of the EU is rather simple as compared to the extensive and compl one of the ASEAN. At the top of this structure is the European Council, consisting of Heads of Government (HOGs) of the member-states. At present, twenty-seven HOG from twenty-seven member-states make the European Council, which is the highest decision-making body of the organization. The council is headed by a system of rotating presidency, with every member-state assuming the responsibility of the President of the European Council for six months. Next to the European Council in the organizational hierarchy is the Council of Ministers, consisting normall foreign ministers of member-states. It adopts policies and programmes for the EU and places the for approval with the European Council. In the Council of Ministers, other ministers may join an discuss policies depending upon the agenda. Thus, if there is an agenda on health, health ministe all member-states may join this council. After the Council of Ministers in the organizational structure comes the European Commission, which is the pivotal organ of the EU. The commissio now consists of twenty-seven commissioners from member-states, appointed for a term of four y with provisions for re-appointment. It supervises the activities of the union throughout the year. commissioners nominate one person as the President of the Commission from among them. The responsibility for implementation of the policies adopted by the European Council lies with the Commission. The council meets the President of the European Commission twice a year to disc implementation of the policies and programmes of the union. The commission also controls the of the EU, known as the Eurocrats. The headquarters of the EU is situated in Brussels, the capital of Belgium.

Apart from these three bodies (European Council, Council of Ministers and European Commission), other prominent institutions in the EU are the European Parliament, the Europe Court of Justice, and the Economic and Social Committee. The European Parliament has been g some powers recently. The 785 members of the European Parliament (MEPs) are directly electe every five years by citizens under the union. Although MEPs are elected on a national basis, the according to political groups rather than their nationality. Each country has a set number of sea The Parliament and the European Council form and pass legislation jointly, using co-decision, i several areas of policy. The Parliament also has the power to reject or censure the budget of the

European Commission and the EU. The President of the Parliament also carries out the role of the speaker in the Parliament and represents it externally. The President and the vice-presidents are elected by MEPs every two and a half years. The judicial branch of the EU consists of the European Court of Justice (ECJ) and the Court of First Instance (CFI). Together, they interpret and apply the treaties and the laws of the union. The CFI deals mainly with cases taken by individuals and companies directly before the EU's courts; and the ECJ with cases taken by member-states and institutions, as also cases referred to it by the courts of member-states. Decisions of the CFI can be appealed against at the ECJ, but only on a valid legal point. Member-states of the European Union are responsible for their own territorial defence.

The European Union Today

The EU has traversed a long way since its formation with the Masstricht Treaty of 1993. Several new members have joined the organization, many new policies and programmes were undertaken, and norms and laws were changed to keep pace with time. A few more treaties were signed by member-states to meet new challenges faced by the EU. Prominent among these was the Amsterdam Treaty, which was signed in 1996 and became effective in 1999. This treaty called for the creation of more jobs within the EU, sustainable development of the environment, and protection of consumer rights. The Treaty of Nice, which came into force in 2003 (and was signed in 2001), wanted to make the union more efficient and streamlined. For this purpose, it proposed a reduction in the number of Eurocrats, which was nearly 15,000 at the beginning of the twenty-first century. The Lisbon Treaty, that came into effect in December 2009, has given more power to the European Parliament and the European Court of Justice. The salient features of the treaty, that made important reforms in the European Union, are given in Box 9.1.

Today's EU is an economic powerhouse. Since its origin, it has established a single economic market across the territories of all its members. Considered a single economy, this regional organization generated an estimated nominal gross domestic product (GDP) of US $18.39 trillion (based on purchasing power parity or PPP) in 2008, amounting to over 22 per cent of the world's total economic output in terms of purchasing power parity. This makes the EU the largest economy in the world on the basis of nominal GDP and the second largest trade bloc economy in the world based on PPP valuation of GDP. It is also the largest exporter of goods, the second largest importer, and one of the biggest trading partners to several large countries such as India, China and Brazil.

More than one-third of the 500 largest corporations in the world (Fortune 500 companies), measu[red] by revenue, have their headquarters in the EU. The euro, within a decade of its introduction in 199[9] has become one of the strongest currencies in the world. The success of the EU in achieving economic integration in the continent could be ascertained from the fact that more and more countries are showing interest in joining it. Many of these countries include the former East Bloc nations who want to be part of the mainstream economic development process of Europe today, a[nd] they have found in the union a very effective forum to realize their economic and political objectiv[es].

Box 9.1: Major Reforms of the EU Introduced by Lisbon Treaty (2009)

i. *A more democratic and transparent Europe:* The treaty has provided for a strengthened role for the European Parliament and national parliaments, more opportunities for citizens to have their voices heard and a clearer sense of who does what at European and national levels. It explicitly recognizes, for the first time, the possibility for a member-state to withdraw from the union.

ii. *A more efficient Europe:* The treaty, with simplified working methods and voting rules, streamlined modern institutions for a EU of twenty-seven members and an improved ability to act in areas of priority for today's union.

iii. *A Europe of rights and values, freedom, solidarity and security:* It also promoted the union's values, by introducing the Charter of Fundamental Rights into European primary law, and providing for new solidarity mechanisms, and ensuring better protection of European citizens.

iv. *Europe as an actor on the global stage:* The treaty seeks to achieve this goal by bringing together Europe's external policy tools, both when developing and deciding new policies. The treaty gives Europe a clear voice in relations with its partners worldwide. It harnesses Europe's economic, humanitarian, political and diplomatic strengths to promote European interests and values worldwide, while respecting particular interests of the member-states in foreign affairs.

Adopted with changes from the web site of the European Union http://europa.eu./lisbon_treaty/glance/index_eu.htm/. Retrieved on 28 March 2010.

However, there are grey areas within the European Union. In May 2007, unemployment in the union stood at 7 per cent while investment was at 21.4 per cent of GDP; inflation was 2.2 per cent and public deficit -0.9 per cent of GDP. Moreover, there is a great deal of variance in annual per capita income within individual EU states, ranging from US $7,000 in poorer states (mainly in the East) to US $69,000 in rich countries. Compared to the EU average, the US GDP per capita is 35 p cent higher and the Japanese GDP per capita is approximately 15 per cent higher. The union currently imports 82 per cent of its oil, 57 per cent of its gas and 97.48 per cent of its uranium demands (all statistics in this section are from the official EU website). There is the concern that this organization is largely dependent on other countries, primarily Russia, for its energy sources, and any adverse relations with Russia may hinder its progress. The financial crisis in Greece in 2010 also posed challenges to the EU. Differences between France and Germany over the ways to resolve the crisis, and EU's role in this matter, made the EU appear like a disunited organization. Despite these shortcomings, the EU has emerged, due to its success noted earlier, as one of the most successful regional organizations in the world, with important economic and political clout in international affairs.

The Future of the Union

The dream of a unified Europe is nothing new. Through ages, statesmen and the political elite have tried to achieve this dream. This desire could be noticed in Bismarck and Garibaldi; the aggression of Napoleon and Hitler also reflected their desire to bring the whole of Europe under their command. This dream has survived across ages in some form or the other, and the European Union was its latest manifestation. But at the same time, it is also true that Europe could never be unified politically or economically despite several attempts. The idea of a unified Europe had always remained out of bounds. This dichotomy leads one to ponder over the future of the EU, its acceptability in all parts of the continent, and its possible challenges. It is now well known that the formation of the union was never an easy task. Member-states had prolonged debates in domestic political circles before becoming part of either the EEC or the EU. Britain is a case in point. The conservative government of Margaret Thatcher was reluctant to join the EEC fearing that a common market might be detrimental for Britain's developed economy. Later, the Labour Government of John Major decided to join the EEC. Further, the introduction of a Customs Union or a common currency faced several hurdles. Even today, the euro has not been accepted by several member-states; notable among them are Britain, Denmark and Sweden, considered as leading economies in Europe. Unless a uniform bank interest rate is introduced, inflation is controlled, and national income achieves some sort of parity in member-states; it would be difficult to introduce euro in all states, especially in the developed ones. This poses a challenge to the concept of a single monetary union in the EU.

Politically, Russia's lukewarm response to be a part of the European Union may prove to be a serious hurdle in its march to the East. If Russia does not join eventually, the union's dream of a unified Europe would get a severe jolt, not only politically but also economically, because it is dependent on Russia for its energy resources. Moreover, a militarily powerful non-member like Russia may bring in trouble for it. Along with Russia, a few former Soviet states have also stayed from the EU casting doubts about its acceptability. Further, the EU's slow progress in achieving a unified military command and a common foreign policy highlights the unwillingness of membe states to place it above national interests.

Despite these challenges faced by the EU, it must be remembered that it is not a supranationa organization. It pays due respect to the sovereignty and territorial integrity of member-states, ar like any other regional organization, does not impose its will upon the members. The EU is also considering a proposal under the Lisbon Treaty to allow members to withdraw from the organization. But more and more countries in Europe, including former East Bloc nations, are joining it. This reveals the growing credibility of the organization. Besides its goal of economic integration of Europe, it has also been focusing on socio-political, cultural, educational, scientif environmental development of the 'Euro zone' that consists of territories of member-states. The activities of the union not only benefit itself, it helps the member-states as well, particularly the developing ones. Since the formation of the union, members with weaker economies have reap rich benefits through preferential and barrier-less trade with the developed parts of Europe. Th developed economies have also been benefited because new and large markets have opened up them through the EU. The success of the European Union as an economic organization is attra both non-members and third parties in other parts of the world. Consequently, it is growing ar poised to expand further in the coming years.

THE AFRICAN UNION

Origin and Membership

Today's African Union (AU) is the continuation of the earlier Organization of African Unity ((established on 25 May 1963 in Addis Ababa, capital of Ethiopia. The main objective of the OA to achieve unity among African nations and to work for the development of the region. It star journey in 1963 with thirty-two member-states. Its name was changed to the African Union a