
UNIT 8 MEMBER STATES OF THE EU: FRANCE, GERMANY, THE UNITED KINGDOM AND EUROPEAN INTEGRATION

Structure

- 8.0 Introduction
- 8.1 Objectives
- 8.2 National Actors and European Integration
- 8.3 Germany and the European Union
 - 8.3.1 German Identity and European Union
 - 8.3.2 Problems Facing Germany
 - 8.3.3 Strengthening the Union
- 8.4 France and the European Union
 - 8.4.1 French Initiatives
 - 8.4.2 The French Role in EU**
- 8.5 United Kingdom and the European Union
 - 8.5.1 Change in U.K. Attitude
 - 8.5.2 Position of U.K. in European Union
- 8.6 Summary
- 8.7 Exercises
- 8.8 References and Readings

8.0 INTRODUCTION

The movement for European integration was born after the Second World war which had exposed the real problems faced by Europe in the first half of the Twentieth Century – the perils of unrestrained aggressive nationalism. It is correct to say that the two world wars of the last century were the culmination of the unabated nationalist rivalry involving the great powers of Europe – especially France and Germany. In the immediate aftermath of the Second World War thinking Europeans were convinced that the only solution to the age-old rivalry which had bedeviled Europe was to forge unity through a consensus which would facilitate the continent's economic and political recovery and would help it regain its lost status in the world.

As an end-product of such self-introspection was born the European unity movement which took shape over the next forty years through the creation of the European Coal and Steel Community in 1952 and the European Economic Community in 1958 which was rechristened as the European Union by the Treaty on European Union, signed at Maastricht in 1991. During the Cold War years, integration was primarily confined to Western Europe. However after the end of the Cold War it entered a new phase, which saw the expansion of the EU into Central and Eastern Europe. The total membership of the organization now stands at twenty-seven and it has now acquired a pan-European character.

In the evolution of the European unity movement, two distinctive approaches were developed. The more conventional idea of cooperation at the regional level is termed the inter-governmental approach wherein the

participants in the process initiate action themselves and decide the extent upto which they are prepared to go in adopting and abiding by the general policy directives originating from the institution in question. The other approach favoured is known as supranationalism whereby member states belonging to a supranational organization give "its central institutions the right and the ability to take decisions independently of and even in spite of the member states in fields traditionally within their preserve". The EU of today is an amalgam of both these approaches though its principal decision-making apparatus is essentially supra-national in character. This unit discusses the major member states of the European Union (EU) with special focus on Germany, France and the United Kingdom and the roles they played in European integration.

8.1 OBJECTIVES

After going through this unit, you should be able to:

- understand the relationship between the member states and the European Union,
- the role of Germany in the European Union;
- the role of France in the European Union;
- the role of the United Kingdom in the European Union; and
- evaluate the nature of the European Union as a political actor.

8.2 NATIONAL ACTORS AND EUROPEAN INTEGRATION

As already mentioned, there was interplay of two different approaches towards integration in Europe, viz. intergovernmentalism and supranationalism. While the momentum towards the creation of a unity movement was building up in the immediate aftermath of 1945, the intergovernmental approach was strongly advocated by Great Britain, the only European Power whose international status had not been as badly dented as those of the other continental states. Britain had reservations about the supranational method because of its potential for encroachment on national sovereignty. However, states like France, West Germany, Belgium, the Netherlands and Italy were of the view that a more radical method of cooperation was the real answer to Europe's problems. The mere creation of forums for cooperation among governments in critical fields such as trade and industry, business competition, energy, transport and the like would not be enough. What was needed was the creation of an institution which would be able to adopt common policies in some of the areas earlier agreed upon among the participating states and which the member states would be duty-bound to implement within their respective territorial jurisdiction.

However, as it subsequently transpired even the votaries of supranational co-operation were not willing to allow decision-making in sensitive high political areas such as foreign and defence policies as well as to matters pertaining to justice and home affairs including immigration control to pass from national to the community jurisdiction as in the economic and social sectors on a supra-national basis. This was reflected in the creation of community institutions which enjoy autonomy in the decision-making process except in the two inter-governmental areas relating to the Common Foreign and Security Policy (CFSP) and Justice and Home Affairs (JHA) as laid down in the Treaty on European Union (TEU) of 1991. The basic spirit of the **decision-making** apparatus of the EU is that the national interests of the member states are better safeguarded through the formation and articulation of a common community interest which is reflected in the decisions adopted by the common institutions and implemented by the member states.

However, in spite of its supranational character the decision-making apparatus was devised and has subsequently evolved in such a way as to ensure that the national actors have a fair say in the policies and legislations emerging from the community. This is what explains why the council of ministers was placed at the center of the community's decision-making process. It is the forum where national interests of the member states are reflected and sought to be converted into common community ones. In spite of the provision of majority voting in the founding Treaty of Rome the community has primarily operated on the basis that when vital national interests of a member state are at stake flexibility in decision-making would have to be displayed and

compromises, if necessary, would be reached. However, after a decision has been made the member states are under a binding obligation to carry them out. Failure to do so would attract censure from the European Commission and even being taken to the European Court of Justice for breach of the Treaty.

In spite of its existence for nearly half a century, the exact role of the member states in controlling the EU and carrying forward the process of integration is a matter of debate. One school of thought argues that the critical role of national minister in the Council of Ministers in the decision-making process ensures that the member states are able to control successfully the EU policy-making. In contrast, it has been argued by some analysts that the committee system of the Council of Ministers has acquired a character, dynamism and momentum of its own which has weakened the control by government actors over the processes and outcomes. According to this view, the committees of the Council do not follow the will of the core executives of their states.

In the ultimate analysis, the complex and multi-layered mechanism of EU policy-making makes it difficult to offer a definitive judgement on the exact nature of national impact in determining the course of action the community seeks to follow. A lot depends on the issues and the nature of policies under consideration and the degree and extent of the interests and commitments of the member states. As a consequence, prolonged bargaining and negotiations are often a feature of Community policy-making.

8.3 GERMANY AND THE EUROPEAN UNION

Germany is one of the major countries at the heart of the European integration process. It has been the principal partner of France in shaping the destiny of the post-war European unity movement. At the same time, the profound transformation that Germany has undergone in the past half a century, especially its re-unification in 1990, has also affected its priorities in terms of the domestic challenges that demanded a response within the European context.

After the Second World War, Germany was divided into two states : the Federal Republic of Germany (West Germany) and the German Democratic Republic (East Germany). The Federal Republic was one of the founder members of the European Community (EC) and a consistent supporter of European integration despite the fact that it was the biggest net contributor to the EC budget which earned it the sobriquet "Europe's paymaster". After its re-unification in October 1990, Germany emerged as the largest member of the EU both in terms of the size of population and economic strength. It is the largest economy in Europe and third largest in the world.

8.3.1 German Identity and European Union

Following its defeat in the Second World War and division thereafter, West Germany was faced with the major challenge of constructing a national identity. It assumed a major urgency after East Germany became a part of the Soviet bloc. In the domestic debate regarding the future orientation of the West German state, the Social Democratic Party (SPD) was prepared for a re-unification with East Germany and subsequent neutrality in the emerging Cold War. However, the Christian Democratic Union (CDU), under the leadership of Konrad Adenauer, firmly rejected such an approach and led the Federal Republic into the Western camp. Since German politics in the initial years was dominated by the CDU and especially Chancellor Adenauer, the identity that was fostered for the West German state, included the inheritance of all that was best in German history, West Germany as an integral part of the Western system of states and the Federal Republic as a loyal and trusted ally of the United States. This westward orientation of the West German state was largely reflected in the positive response of Adenauer to the French initiatives for European integration launched in the 1950s. This identity was also accepted by a large part of the West German electorate. Such an identity became a state identity which had to be accepted by all political parties, including the SPD which had to ensure, while in office, a reassertion of its commitments to the West even as it sought to improve relations with the East so that no neutralist tendencies could be deciphered in the SPD's orientation.

The CDU Governments of the 1950s and the 1960s presided over what came to be known as the German "economic miracle" when the GNP of the FRG grew at an annual average of 7.9 per cent while the Organization for Economic Cooperation and Development (OECD) average was 5.5 per cent. This economic success

was attributed by CDU leaders to a firm commitment to free trade and free market principles. However, this free market orientation also reflected an adaptation to older cultural attitudes predating the Second World War. Basically this meant commitment to social solidarity and community which conferred a distinct identity on German capitalism the so-called "Rhine Capitalism". Its distinctive features included cooperation between management and workers, high levels of job security and social security, protection of economic activities crucial to the survival of local communities. These traits of German Capitalism are in marked contrast with the Anglo-Saxon form of capitalism as practiced in the United States and Britain of the 1980s and the 1990s which underplays the level of social protection and cooperation and emphasizes free market economics more consistently.

The pro-West identity and orientation fostered by Konrad Adenauer and the CDU had a marked impact on German public opinion which was consistently supportive of European integration throughout the post war period. Often this meant German governments making concessions in EC negotiations which ran into public opposition but winning eventual public approval on the pretext that such concessions were necessary to further European integration.

8.3.2 Problems Facing Germany

Public support for the TEU was maintained till TEU after which it fell considerably. A major contributory factor to this trend was the decision to abandon the Deutschmark and adopt the single European currency in line with the provisions of the Maastricht Treaty (TEU). The Deutschmark had come to symbolize Germany's post-war rehabilitation in Europe and the world as well as its economic success. The public also feared that the single currency would be less stable than the Deutschmark.

Among the other factors contributing to a fall in public support for European integration was the discovery that some of their most cherished national institutions were under attack from Brussels following the adoption of the single market programme. This was particularly manifest in a series of competition cases against Germany which proved to be very sensitive.

As already mentioned the German approach to European integration was largely conditioned by its pro-West orientation in the post - war era. A key anchor of the approach was its partnership with France. In spite of occasional policy divergences the Franco-German axis, in the shape of common strategies and the recognition of mutual interests, determined much of the community's early economic and political development. It also became a necessary, if not sufficient, pre-requisite for any major initiative in the integration process. Adenauer looked upon a formal Franco-German partnership as the cornerstone of a secure Europe. At the same time, he wanted to ensure that Germany's close relationship with the USA remained in tact since he did not consider the two relationships to be mutually exclusive.

Over the years, a large number of policies and initiatives have stemmed from the alliance. These include initiatives in the technical sphere programme involving arms collaboration, political and policy programmes such as the launching of the European Monetary System (EMS) in 1979 and joint initiatives to relaunch the Community at the Milan (1985) and Maastricht (1991) summits which culminated in the signing of the Single European Act (SEA) in 1986 and the TEU in 1991 respectively. However, in spite of its importance to both countries the partnership has witnessed, in recent years, increasing strains as the integration process deepened. While the Germans favoured both an enlarged and deeper EU the French remained cautious about developing defence arrangements under a political union. When the issue of German re - unification emerged on the agenda of Europe and the world in 1989-90 the initial French response was one of considerable caution and misgivings about its potential implications.

Re-unification followed by the agreement at Maastricht in 1991 turned out to be a milestone in the evolution of Germany's approach to further integration in Europe. Re-unification exacerbated domestic problems since it brought with it the need for higher taxes in the western part of the country to generate funds for developing the crumbling infrastructure of the east. Externally the rest of Europe, especially France was anxious that a unified Germany would have less need for the international frame work of the EU.

Ratification of the Maastricht Treaty proved to be another problem for the government since, as already mentioned, a majority of the German population was hostile to the provisions of the Treaty on Monetary

Union, a part of the Maastricht Treaty. The experience of the unfavourable consequences of the Monetary Union with East Germany prior to reunification in terms of higher taxes and higher interest rates was weighing on the mind of the public. There was apprehension about a similar experiment in unifying with other EU currencies and its potential impact on the German economy and especially on job prospects.

8.3.3 Strengthening the Union

The Government of Chancellor Helmut Kohl however continued to defend the European **Monetary Union** (EMU) project in spite of its unpopularity at home. Ironically enough the domestic opposition strengthened Kohl's hand in EU level negotiations to the extent that Germany seemed to get its own way on almost every issue concerning the details of EMU. On the question of eastward enlargement of the EU too, Kohl managed to get most of what he wanted. For Germany, this enlargement was essentially a security consideration. Reunification had once again turned Germany into a Central European state having borders with Poland and the Czech Republic. As any regional instability would impact adversely on Germany EU membership of its nearest neighbours was seen by Bonn as a way of guaranteeing their stability. Economically too, Germany expected to benefit from such enlargement as German companies and banks would have an opportunity to resume their historical role of leading investors in the region.

The successes of Helmut Kohl in the negotiations relating to EMU and eastern enlargement of the EU projected an image of Kohl as the strongman of Europe. However, the German economy increasingly ran into rough weather with high unemployment and almost negligible growth. In September 1998, the SPD returned to power under the leadership of Gerhard Schröder who undertook the long process of addressing the economic ills that plagued Germany. This entailed moving forward with a modernisation programme to bring Germany more into line with the requirements of the modern globalized capitalist economy. Such a programme envisaged an agenda for economic reform which rejected a higher **tax** burden, called for reduction of taxes and held that public expenditure as a proportion of national income had reached the limits of acceptability. It was a trend that sought to reverse the approach adopted in Germany over the past half a century.

As a member state Germany has been one of the strongest and most committed supporters of European integration. The leaders of the West German state felt that Germany's successful rehabilitation and security in Europe was closely linked to its participation in the European unity movement. However, reunification and the increasing problems of compatibility that the German social market economy began to experience in the modern globalized capitalist economy led to enhanced social and political discontent. Recent German Governments have not been averse to blame the EU for some of the ills of the country. Consequently, the popularity and the legitimacy of the EU in Germany declined considerably especially after the conclusion of the TEU.

8.4 FRANCE AND THE EUROPEAN UNION

As a contributory factor, France is perhaps the most important among the European nations as central to the process of integration. As already mentioned it was **Franco-German** rivalry and conflict which was at the core of Europe's history of disharmony and discord in the past two centuries. A quest for security against a resurgent Germany after the war was the principal motivating factor in French endeavours for European co-operation. The desire to secure France against Germany while binding the latter to a framework of reconciliation, reconstruction and co-operation in a war ravaged Europe was the principal dynamic that kept France anchored to the integration project at both the elite and mass levels throughout the post-war period.

8.4.1 French Initiatives

The Second World War was a difficult experience for France though it was not overwhelmed in the same fashion as Germany. France's defeat and occupation was a severe blow to national pride which left a bitter legacy in the post-war period through the internal conflict between the collaborators with and Resistance to the Nazi occupiers. For thirteen years after the War, France politics was marked by ideological divisions and extreme fragmentation. France witnessed a stable and strong political leadership only after General Charles de Gaulle returned to power in 1958 with a new constitution.

It was de Gaulle who imparted to France an identity and direction which made a lasting impression on the country and within which the successor regimes had to work. De Gaulle also consolidated France's position as the dominant power within the European Community even as he continued the process of economic modernization of France begun by his predecessors in the Fourth Republic.

An overriding factor that has shaped France's attitude to contemporary Europe and the world is nationalism. As one of the **first** modern states as well as nations France has always been conscious of its national identity vis-à-vis other major nations of Europe especially Germany and Britain. French leaders, especially de Gaulle, were keen to ensure that France was once again a major player on the European and world arena in spite of its ignominy during the Second World War. At the same time, they were realistic enough to realize that another war had to be avoided at any cost and a reconciliation with Germany was an important pre-requisite to facilitate the political and economic recovery of France as well as all of Europe.

On the question of integration, French public opinion was generally positive and followed the lead provided by political parties. The issue was however not free from controversy as the communists opposed the venture as a capitalist plot though the socialists and Christian Democrats supported it and their electorates followed their lead. Over the years, support for European integration remained generally positive though its levels fluctuated according to exigencies of situations. For instance, public support was at a lower level during the mid-1960s when de Gaulle had a dispute with France's partners regarding the powers of the Council of Ministers leading to a French boycott of Community institutions for nine months. In contrast, support levels were higher during the mid-1970s when France took a leading role in EC affairs of the European Community.

France has played a key role in shaping EU institutions, policy processes and policies. French Governments attempted to achieve national objectives in trying to ensure that European policy and institutional developments were in line with French priorities. The major French contributions are easily identified. The European Coal and Steel community (ECSC) which bore the name of the French Foreign Minister Robert Schuman but was planned by Jean Monnet was created in April 1951. The Treaty of Rome set up the European Economic Community (EEC) and Euratom and the French played a major role in the initiatives that led to this development. The decision leading to the first enlargement of the EEC was taken at the Hague summit in 1969 under French President Georges Pompidou. In 1978 President Giscard d'Estaing co-founded the European Monetary System with the then EC Commission President Roy Jenkins and German Chancellor Helmut Schmidt. President Francois Mitterand and the then European Commission President Jacques Delors, a Frenchman, made a major contribution in shaping and pushing through the Single European Act (SEA) and the Treaty on the European Union.

There were also some failures. The attempt to create the European Defence Community (EDC) to shape Common European foreign and defence policies failed in 1954 as did de Gaulle's initiative for foreign policy coordination in 1962. De Gaulle also acted as a roadblock in further enlargement of the membership of the EEC when he vetoed Britain's bid to enter the Community twice in the 1960s. French Governments under Georges Pompidou and Giscard d'Estaing were not always very prompt in transposing European directives into French law and respecting rulings of the European Court of Justice (ECJ). Even the Mitterand governments of the 1980s joined issue with the European Commission on competition policy which evoked threats of resignation from Jacques Delors, the Commission President.

8.4.2 The French Role in E.U.

The French record on integration therefore is a mixed one. While some French leaders made major contributions in key institutional and policy developments others have caused some of the notable problems and set backs in the integration process. This paradox is reflective of the dilemmas France faced in the post-Second World period in balancing the need, as French leaders saw it, to forcefully assert French positions in European and world affairs with the compulsions of addressing French national interests within a cooperative European framework which included the major as well as the smaller **neighbouring** states. Such an approach of assertive nationalism was also difficult to reconcile with the gradual surrender of national sovereignty to the EC. De Gaulle, for instance, appreciated the need for French participation in the economic aspects of EC but opposed the **political implications of closer integration.**

As already mentioned, the EU policy-making framework is a complex mix of supra-national and inter-governmental elements which makes a varied impact on domestic politics and policy making. In areas such as competition policy, Single Market legislation and industrial policy national legislation has to be enacted within the EU regulatory framework whereas in foreign and security policy and areas such as these, the EU Forum is merely intergovernmental. In matters of policy-making, a growing degree of collaboration and bargaining between French and other European policy-makers is witnessed and policies emerge out of the confluence of domestic, European and international factors.

As noted earlier, France exercised considerable influence and a leadership role in the early stages of the Community in the 1960s and the 1970s. It helped further French national goals such as economic modernization and the rationalization of the agricultural sector through the EU framework. However, the growth of the EU in size and scope set in motion a new institutional and policy momentum thus diluting somewhat the influence and control that any one member state can exert. Therefore, it is increasingly difficult for the French government to influence EU policy agenda to its advantage to the same extent as it did earlier.

Maastricht The fact that European integration was gradually losing its momentum in France became apparent from the results of the French referendum on the Maastricht Treaty when a very narrow Yes vote (51 per cent to 49 per cent) was registered on the ratification of the Treaty. There was concern over high unemployment and the feeling that further integration would lead to a weakening of the level of social security. There were also concerns at the effects on previously protected sectors of the economy of the opening of the domestic market and what was seen as interference by Brussels with aspects of the traditional French way of life. The apparent adverse repercussions of the impact of the EU increased public interest in it. There was a rise in the number of issues where France was in conflict with the EU thereby necessitating in successive French governments taking up principled positions in defence of French national interests.

The issue of the loss of autonomy by the nation-state in the face of the globalization of capitalism was brought into sharp focus during the course of the referendum on the proposed EU Constitutional Treaty which was intended to replace the big and complex four basic treaties with a single, shorter, simpler document. In the referendum held in May 2005 French voters rejected the EU Constitutional Treaty by a decisive 55 per cent to 45 per cent. The French vote along with the negative Dutch verdict (June 2005) has placed the future of the Treaty and the future shape of European integration itself into some disarray.

The negative French referendum verdict of May 2005 is ironical since it draws attention to the distance France and Europe have traveled since the days of the 1950s and the 1960s. The economic crisis and especially high unemployment that currently grips France has posed fresh challenges for the country to find a balance between the regionalist response of the EC/EU and the globalization of capitalism. Success in finding a way will largely determine the shape of European integration in the twenty-first century.

8.5 UNITED KINGDOM AND THE EUROPEAN UNION

History of the evolution of British attitude towards and its participation in the European integration movement since the end of the Second World War has been a chequered one. Assuredly conscious of its own position as a "global" power along with the United States and the Soviet Union, the other two victors over Nazi Germany and Japan, Great Britain was content to view Europe as only one of the three distinct "circles" of influence so far as its foreign relations were concerned. The two other circles which enjoyed an automatic precedence over that of Europe were the "special relationship" with the United States, and the evolving links with the post-imperial Commonwealth.

It was, therefore, not surprising that when the pioneering moves towards a framework of unity that would reconcile the centuries old deep divisions in Europe were initiated – first, the European Coal and Steel Community (ECSC) in 1952, and subsequently the European Economic Community (EEC) in 1958, — successive British Governments, both Labour and Conservative, carefully avoided any involvement in what was viewed in London as supranational integrative experiments in Western Europe. British policy at this stage was supportive of, but independent from such ventures. London's real enthusiasm, however, lay in both shaping and participating in traditional inter-governmental organizations such as the North Atlantic

Treaty Organisation and the OEEC/OECD which were essentially trans-Atlantic in scope and nature rather than exclusively European.

British calculations about sustaining an independent world role through the three distinct circles of influence – the United States, the Commonwealth of Nations and Europe – went awry during the 1950s. The Suez debacle (1956) convinced British leaders about the irreversible decline of Britain's political and military influence in the world. The steady shift in British trade from the Commonwealth to Western Europe during the same period served to underwrite the declining significance of imperial preferences that had acted as a catalyst in determining Britain's international priorities for decades.

8.5.1 Change in U.K. Attitude

Faced with the prospect of being reduced to a political **non-entity** if it continued to act on its own as well as the danger of seeing its vital export trade, on which Britain's economic survival depended, being severely damaged as a result of the EEC Customs **Union's** common external tariff, London opted for a radical change in strategy and applied to join the European Community itself in 1961. Procuring the membership of the EEC, however, did not turn out to be an easy task as Britain's strong political and military – especially nuclear – links with the United States made its European bonafides suspect in the eyes of the staunchly nationalist and anti-American French President Charles de Gaulle. Two successive French vetoes kept Britain in the waiting room for nearly twelve years. It was only after the departure of de Gaulle from power in 1969 that the French veto on Britain's entry was lifted. Thereafter following a complex process of negotiations between London and the then six-Member EEC, Britain was finally able to take its place inside the Community in January 1973.

As noted earlier, British objectives in seeking membership of the European Community were both economic and political. British economic performance – especially its growth rates during the 1950s and the 1960s – compared to those of the member-states of the EEC were quite unfavourable. What impressed London most was the fact that the growth rates of the ECC member-states considerably accelerated in the years following the formation of the Community. British leaders, therefore, concluded that joining the EEC would be the most appropriate **remedy** for the economic malaise of low growth and industrial stagnation that the economy of the United Kingdom had suffered from.

Politically too, it was hoped, Britain would have a more effective voice and play a more useful role in international affairs as part of a united European team than on its own. In a world dominated primarily by the two super powers and to a lesser extent by China and Japan, individual European countries with their small size and paucity of natural resources could count only as parts of a united European entity.

In reality, however, British expectations of deriving quick economic benefits from the membership of the EEC failed to materialize. As luck would have it, the period following the British entry into the European Community in January 1973 witnessed economically the most unfavourable phase since the end of the Second World War, when skyrocketing oil prices, triggered off by the Middle East War of October 1973, sent almost all the industrially advanced economies of the West into a severe depression. The phenomenal growth rates that propelled the original six members of the EEC to a period of unprecedented prosperity in their history in the 1960s had, to all intents and purposes, come to an end within one year of Britain joining them.

This failure to reap the quick economic bonanza was reflected in the British economic performance during the 1970s and the early 1980s. High inflation and high unemployment, persistently adverse balance of payments situation in general and with regard to the European Community in particular, stagnant industrial production, disastrous rise in food prices and the failure to attract European investment in Britain to the extent hoped for, were some of the features of this disappointing scenario for Britain.

Problems relating to structural adjustment for Britain vis-à-vis the established common policies of the EEC made a bad situation worse and aggravated conflicts between the UK and its partners on many areas of **community** policy. The EEC **farm** policy – known as the Common Agricultural Policy (CAP) – which is the most developed of the Community's policies, has persistently consumed the major portion of the group's budgetary allocations. The issue has caused endless frictions between Britain and its partners as the UK, with a small agricultural sector, derived hardly any benefit from this elaborate farm support system. As a

result, once the transition arrangements governing British entry into the Community came to an end in December 1977, the UK's net budget contributions reached intolerable proportions and paved the way for the confrontations of the early 1980s between Margaret Thatcher, who had assumed charge as British Prime Minister in May 1979 and her colleagues in the Community.

Three decades of membership within the European Union have witnessed the progressive economic integration of Britain with Europe. The lion's share of the UK's trade is now with Europe; a major share of the overseas direct investments (ODI) coming into Britain is from Europe. Britain is an active and in some respects an influential participant in the policy-making process within the community. With the channel tunnel being in operation for over a decade now Britain's geographical isolation from the continent is no longer a fact of life. Indeed Britain is more European today than what its profile suggested at the time of its entry in the EU three decades ago.

And yet for much of this period noted above, Britain has been at best an "awkward" partner in the European Community. As would be evident from analysis presented above, the principal issue at stake between Britain and the rest of the Community has been the question of compatibility as the UK has struggled to adjust itself to the essential ethos and dynamics of the European Union. The frequent spectacle of Britain as the odd man out in Community decision-making has been one of the abiding images the EU has presented to the outside world. While the political establishment was driven with dissensions and divergences the public attitude has been one of a grudging acceptance of Europe with a substantial element of the "there is no alternative" (TINA) factor built into it.

8.5.2 Position of U.K. in European Union

While studying the profile of Britain as a grudging participant in the process of European integration one is presented with the image of a major West European nation – an erstwhile world power – whose ethnicity, history and culture was primarily shaped by Europe and yet who refuses to be "absorbed" by Europe. It is a nation, which still prides in its distinctive "Britishness" and its traditions and ways of life as well as its international – especially American – connections. This British tendency to keep alive its international leverages even at the expense – if necessary – of its principal European partners was on display during the recent Gulf crisis over Iraq (2003) when Britain joined the United States in launching an invasion of the Gulf Arab state in total violation of the norms of international law and diplomacy and defiance of the Unified Nations Charter. In the process, the Common Foreign and Security Policy (CFSP) of the EU lay in tatters as the Union was split down the middle on the issue. The Iraq issue is the latest demonstration – indeed if it was necessary – of Britain's determination to retain its independent role in world affairs notwithstanding its commitments to the CFSP which is essentially intergovernmental in nature. London also wanted to put on display the sanctity it accorded to its American connection and the camaraderie it enjoyed with the United States.

So far as its own position in the EU is concerned, the stand of the political establishment including that of the government of Tony Blair is that Britain has little option other than being part of the European Community. There are however other voices, influential and persuasive, which argue that Britain still has the Atlantic option whereby it can pull out of the EU after retaining the economic arrangements with the community especially in trade matters and join the much more free wheeling and dynamic North American Free Trade Area (NAFTA). Britain has, the argument goes, much more in common with the nations of North America such as Canada and the United States in terms of ethnicity, history, institutions, culture and traditions than with those of Europe. Economically too it enjoys a large trade relationship with Canada and the US. NAFTA therefore, it is argued, would be a more viable option than the EU.

The point to note here, however, is that unlike most other member states of the EU, besides the six founders of the Community, the debate about Britain's position and role in the Union still rages three decades after the UK joined the organization. There is a certain degree of wariness in their mutual perceptions of each other between the UK and its EU partners. The irony is that as with the enlargement of the Union into Central and Eastern Europe the prospect for a tightly-knit European superstate recedes into the background — a welcome development so far as London is concerned – the UK is increasingly faced with the possible emergence of a multi-speed Europe and the need to decide if it wishes to belong to a core, more integrated Europe with its concomitant reward of being associated with decisions that count. The alternative is a peripheral Europe

where its prospect would be one of well and true marginalization especially in charting out the course of Europe well into the twenty-first century. The recent war in Iraq could well be the catalyst that will decide which option London will ultimately embrace.

8.6 SUMMARY

Integration in Europe in the post-Second World War period has been viewed differently by different member states in spite of an element of commonality of interests. For Germany, European integration provided a route for its political rehabilitation in Europe and the world at large besides offering a valuable conduit for its economic and social reconstruction. For France, the integration process was an opportunity to bring about a reconciliation with Germany and rebuild French power and position in Europe and the wider world. For the United Kingdom, which viewed initially the supranational underpinning of the venture with distaste, the European Community offered a way out of its dilemma in finding a new role as it declined from the ranks of the great powers and its "special relationship" with the United States and the Commonwealth increasingly became irrelevant if not ineffective. Consequently, their expectations from the Community were not quite the same, which made decision-making at time a somewhat difficult exercise.

8.7 EXERCISES

- 1) What were the principal factors, which motivated the launching of the European unity movement?
- 2) Write a short note on the relationship between national actors and the European Union.
- 3) How would you characterize Germany's approach to the European unity movement in the aftermath of the Second World War ?
- 4) How did France approach the issue of European unity in the post-Second World War period?
- 5) How did the United Kingdom approach the question of European unity in the post-Second World War period?

8.8 REFERENCES AND READINGS

A. Guyomarch, H. Machine and E. Ritchie, *France in the European Union*, London 1998.

P.J. Katzenstein, *Tamed Power : Germany in Europe*. Ithaca and London 1997.

Purusottam Bhattacharya, *Britain in the European Community*, Calcutta and New Delhi, 1994.

Stephen George and Ian Bache, *Politics in the European Union*, (Part Three), Oxford, 2001.