Spain in the European Union

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Spain in the European Union (1992–2010)

Juan Manuel Fernández Fernández-Cuesta
Department of Contemporary History, Universidad Complutense de Madrid

Spain has played an active role in European integration over the past twenty years, its high level of involvement since joining the *European club* on 1 January 1986 being universally recognised. National and international observers have spoken about Spain's success as a Member State and have referred to Spain as the 'giant of the south', alluding to its large population (over 46 million inhabitants, the fifth most populated in the European Union) and to its rapid economic growth prior to the international economic crisis (according to *Eurostat*, Spanish per capita GDP slightly exceeded the average for the 27 EU Member States in 2008, but fell to 97 % of the average in 2010; in 1985, when Spain signed its Treaty of Accession, Spain's per capita GDP was just 71 % of the Community average).

In the years immediately following its accession, Spain cast off its image as a country on the *periphery* of the international stage and began to play an active role in the European project. This change brought with it the necessary modernisation of its diplomatic service, and it became known as a country at the forefront of policy initiatives and committed to peacekeeping missions.

1. Strategy

In the early years, Spain's overall strategic position in the Union did not change substantially. Despite political changes at home, Spanish representatives in the European institutions championed the same integration and modernisation policies, and Spain stood out for its support for Economic and Monetary Union, the common foreign and security policy and the defence policy. Throughout this period, in the European Council both Felipe González and José María Aznar, his successor as Prime Minister, supported the enlargement to the East and the measures to combat terrorism and crime, and worked hard towards the achievement and subsequent continuation of the Structural Funds and Cohesion Fund, which contributed significantly to the growth of the Spanish economy. It is clear that both heads of government had the same strategy in regard to Europe: achieving recognition for Spain as one of the *big Five* of the Union, and strengthening this position as the enlargements took place.

Continuity prevailed on European matters as regards fundamental principles, although formal differences became increasingly apparent. The changes became clear in 1999, when Spain met the *convergence criteria* for joining Economic and Monetary Union and was able to adopt the single currency as one of the euro's eleven founding countries. The terrorist attacks of 11 September 2001 transformed the international agenda, and the war in Iraq saw Spain align itself with the international policy of President Bush — along with others in Europe, notably Tony Blair in the UK and Silvio Berlusconi in Italy — abandoning the 'Paris–Berlin axis' with which it had traditionally aligned itself on key matters of European integration. The new position was accompanied by a slightly more radical stance when discussing institutional issues, particularly as regards voting rights, and the implementation of decidedly neo-liberal socio-economic measures. In international politics, the *letter of the eight* of 30 January 2003, which counted Aznar and Blair among its signatories, placed Spain among the pro-Atlanticist countries on the eve of the Iraq War.

From 2004, there was a radical change of direction in Spanish foreign policy. No sooner had it come to power than José Luis Rodríguez Zapatero's new Socialist government ordered the withdrawal of Spanish troops from Iraq, while in Europe marked differences with his predecessor were already apparent at his first Council meeting (Dublin, May 2004). Zapatero had met Chancellor Schröder in Berlin and President Chirac in Paris a few days before, and would host a joint meeting with them in Madrid some months later. Spain announced a return to its traditional position, although some new elements emerged. The most significant of these was the economic crisis, which shook the international financial system. The Spanish labour market was particularly badly hit, and the country now had one of the highest unemployment rates in the Union.

In summary, Spain's position in the EU has traditionally been one of realist pro-Europeanism, with a drift towards Atlanticism during Aznar's governments. We could group this period into three phases. The first

would be marked by a degree of basic continuity (González–Aznar, 1992–1999); the second by the breaking of alignment with France and Germany in favour of North American policy (Aznar, 2000–2004), and the third by the return to Spain's traditional stance on European policy (Zapatero, from 2004).

2. Spain and the European treaties

Over the past two decades, the EU has undergone a process of enduring reform, in which a medium-to-large Member State such as Spain has held a certain degree of influence at Intergovernmental Conferences (IGCs), where amendments to the Treaties are debated. Spain has been involved in drafting all the institutional Treaties of the European Union, from the Maastricht Treaty (1992) to the Lisbon Treaty (2009). In doing so, over the last twenty years it has brought the vision of each of its governments to the shared European project, offering proposals, forming coalitions, threatening with blocks or encouraging consensus.

2.1. Maastricht, 1992

The first substantial revision of the founding Treaties was the Single European Act (approved in 1986 and in force from 1 July 1987); this was too early for Spain to participate in its drafting. It would, however, play a significant role in drafting the next treaty, the Treaty on European Union, signed in Maastricht, in the Netherlands, on 7 February 1992. This was the first European response to the dramatically changing world which was taking shape after the post-war period, with the fall of the Berlin Wall, the democratisation of the countries of Central and Eastern Europe and the breakup of the former Soviet Union. The European Community also sensed that it was falling behind the economic powerhouses of the United States and Japan.

The Maastricht Treaty signalled the greatest institutional reform in the Community's history, in which objectives and procedures (the *convergence criteria*) were established in order to achieve Economic and Monetary Union, building on the *Delors Reports*. The Treaty also set out the blueprint for the common foreign and security policy, which until then had only been outlined in European Political Cooperation. It also established the framework for cooperation on justice and home affairs. The Treaty entered into force on 1 November 1993, after overcoming serious difficulties in its ratification by some Member States (Denmark only approved it after a second referendum, in May 1993).

When the drafting of the new Treaty began in 1989, Spain put all its efforts behind the negotiations. It did this at the two Intergovernmental Conferences which preceded the agreements, in which it played a very active role, getting involved in the institutional, political, social and economic reforms of the Union. This participation helped Spain define its framework for European integration and put itself on the international map.

Felipe González's government supported the central themes of the Franco–German proposal for achieving Economic and Monetary Union and the common foreign and security policy. But it also put forward its own initiatives for prioritising socio-economic cohesion (already set out in the Single Act), so that the other Member States recognised cohesion as a Community principle and gave it a budget to ensure harmonised growth that would encourage solidarity. Spain's negotiating efforts focused at that time on securing those funds and ensuring they would be governed by the rule of unanimity: faced with difficulties, González threatened to veto other initiatives. The Funds were eventually approved, and the Spanish proposal came to fruition at the Edinburgh European Council of December 1992. The first countries to receive these funds, in 1994, were Spain, Portugal, Ireland and Greece, which had a per capita GDP of less than 90 % of the Community average. Each country used the funds according to their development needs, principally for transport infrastructure improvements and environment projects. A decade later, the funds were opened up to ten new EU members at the time of the 2004 enlargement.

Also attributable to Spain's involvement is the inclusion of the concept of *European citizenship*, which recognised freedom of movement and residence as outweighing the economic interests driving the Union's growth. At the Intergovernmental Conference in October 1990, Spain presented a cohesive text developing the concept of a *Citizens' Europe*, based on the Community's historical roots. In this connection, and

particularly in relation to the right to vote, Article 8(b) of the Maastricht Treaty led to the first reform of the Spanish Constitution in order to enable residents of other Union countries to vote and be elected in municipal elections (a reform approved by Congress on 22 July 1992).

In Maastricht, Spain aligned its international stance with that of the EU. In just a few years it had left behind the marginal position that it had occupied during the Franco years and was now at the centre of European integration. As the Spanish Foreign Minister, Francisco Fernández Ordóñez, said when signing the new Treaty, '[…] in Spain we have joined our political project with the European project'. The Treaty on European Union was ratified by the Spanish Parliament on 25 November 1992.

2.2. Amsterdam, 1997

The accession of three new countries in 1995 (Austria, Sweden and Finland) placed new strain on the as yet unfinished institutional framework of the EU. Furthermore, the Gulf War and the war in the Balkans put the nascent common foreign policy to the test, while economic crisis was making it even more difficult for governments to meet the requirements for entering the single currency. Prior to 1997, national economies had to meet the following *convergence criteria*: an inflation rate not exceeding 1.5 percentage points of that of the three best performing Member States; interest rates not exceeding by more than two percentage points that of the three best performing Member States; a government deficit not exceeding 3 %; and debt not exceeding 60 % of GDP. Additionally, the national currency would need to observe a very narrow fluctuation margin. After a tough process of adjustment, the Spanish economy achieved its target and joined the euro. The Prime Minister, José María Aznar, declared: 'For the first time, the Spanish people are not being left behind in Europe'.

Meanwhile, a new institutional change was being introduced, accompanied by boosts to the employment policy and the area of freedom, security and justice, which addressed the fight against terrorism, crime, illegal immigration and drug trafficking. These had been the objectives of the Aznar government since its debut at the European Council (Florence, 1996).

After this point, the Spanish stance focused on revising the European Convention on Extradition in order to guarantee the surrender of terrorist suspects who had taken refuge in another Member State. The proposal virtually ignored existing asylum law. Spanish diplomacy lavished its efforts on seeking support for its proposal but came up against opposition from other countries and humanitarian organisations. In 1997 its position gradually became more flexible towards acceptance of the less rigid proposal of the Netherlands Presidency, which retained asylum but obliged the Member State granting it to inform the Council immediately.

Another of Spain's objectives which was eventually reflected in the Treaty was the recognition of special *status* for the Canary Islands in order to prevent commercial restrictions or the implementation of potentially detrimental fishing or farming measures. France and Portugal shared Spain's interests, and cooperation between the three countries led to the approval of a permanent statute for the peripheral regions of the EU.

Spain remained the principal recipient country of the Cohesion Funds. In the period 2000–2006 alone it received around 60 % of the total budget. Furthermore, any amendment to its functioning would still require unanimity, and the Spanish therefore kept their possibility of veto (the rule was kept until 1 January 2007, when qualified majority voting was introduced).

Meanwhile, other countries continued to knock at the Union's door. So that their entry did not impede the pace of the larger countries, 'enhanced cooperation' between some Member States was introduced, which allowed the possibility of what was known as a 'Europe à la carte' or a 'two-speed Europe'.

The Treaty of Amsterdam was signed by EU Foreign Ministers on 2 October 1997 and entered into force on 1 May 1999. In the months that followed, Spain's Javier Solana was appointed to the post — created in Maastricht — of the Union's High Representative for the Common Foreign and Security Policy, a post he held for ten years (from 18 October 1999 to 30 November 2009).

2.3. Nice, 2001

Although this Treaty introduced many reforms, they never went quite far enough. The institutional structure of the EU remained small in order to accommodate so many candidate countries, and governing the Union of 15 would not be the same as governing that of 20, 25 or more Member States. The Intergovernmental Conference in 2000 proposed the reweighting of voting rights to adapt to an enlarged Union.

The Spanish strategy focused on not losing influence prior to the arrival of the new Member States. It accepted that it would have to reduce the number of its Commissioners from two to one, but in return demanded more votes in the European Council. In the new Nice Treaty (agreed on 6 and 7 December 2000), Spain obtained 27 votes, like Poland, and only two fewer than Germany, France, the United Kingdom and Italy, which have populations substantially higher than Spain's. Its representation in the European Parliament fell from 64 to 50 seats. It had almost the same power as the so-called *big Four*, although it had lost its blocking capacity, which had been so useful previously.

The Nice Treaty, seen by Aznar's government as a success, encountered many difficulties in its ratification, including by the European Parliament itself. It was signed on 26 February 2001, but did not enter into force until 1 February 2003.

2.4. Towards a constitution

In Nice, the members of the European Council already know that the new Treaty only offered partial solutions to the Union's institutional problems. In fact, they approved an Annex to the final draft in which they called for an in-depth review of the Treaties, involving citizens and social stakeholders. While the EU had made progress in economic and monetary terms, with the euro set to become a reality on 1 January 2002, it threatened to become an ungovernable machine in many other areas. Europe was experiencing this institutional stalemate at the time of the terrorist attacks of 11 September 2001. A reaction could not wait, and the Heads of State and Government meeting at the Palace of Laeken in Brussels in December 2001 decided that a Convention of around 100 representatives from Member States and candidate countries would begin work on drafting a European Constitution.

In the field of foreign policy, Spain supported the office of a Minister for Foreign Affairs and the creation of a European External Action Service. Spain continued in general to play the role of facilitator, rather than the prominent role it had played in the years following its accession to the Union.

After 15 months' work, the Convention presented its document, the basis for the European Constitution. Spain did not succeed in retaining the voting system approved in Nice. A new 'double majority' system (based on population and number of countries) was instead established, which primarily works in Germany's favour, as the nation with the largest population (over 82 million). The draft Convention was approved by the European Council on 18 June 2004, and the historical new European Constitution was signed by the Heads of State and Government in Rome on 29 October 2004. It was signed in the Palazzo dei Conservatori on Rome's Capitoline Hill, the same chamber where the Treaty establishing the European Economic Community had been signed 47 years earlier.

The next step was ratification by the 25 Member States. Spain was the first to do so, in a referendum held on 20 February 2005. The vote in favour was around 76.7 %, albeit with a voter turnout of only 42 %.

In the following months, the referendums held in France (26 May) and the Netherlands (1 June) derailed the project and the European Constitution was temporarily buried. It would take two years for it to be revived. The countries needed to go back to the drawing board, regrouping much of what already existed in the Convention, but limiting its constitutional aspects and removing items which for some would entail loss of sovereignty. In March 2007, the German Presidency, which coincided with the 50th anniversary of the Treaty of Rome, indicated that the moment had come to restart negotiations, with the aim of signing a new treaty in 2009.

2.5. Lisbon, 2009

The Treaty of Lisbon, signed by the Heads of Government on 13 December 2007, ushered in the EU's new constitutional framework. The Treaty only entered into force two years later, on 1 December 2009, once it had been ratified by the 27 Member States (Ireland needed a second referendum before it was approved, on 2 October 2009). In Spain it was ratified in the Congress of Deputies by a clear majority on 26 June 2008. The official name of the new text is 'Treaty amending the Treaty on European Union and the Treaty establishing the European Community'. This underlines the fact that the Lisbon Treaty does not replace the other Treaties, but revises and amends them.

In holding the first rotating Presidency since the Treaty's entry into force, Spain's main contribution to the Lisbon Treaty has been to oversee its initial application, overcoming stumbling blocks and facilitating agreements.

What follows are just some of the most important contributions of the Lisbon Treaty, and those which have the greatest significance to the public.

The Treaty creates a permanent President of the European Council, appointed by the European Council and with a fixed term of two and a half years, renewable once. It furthermore expands the duties of the High Representative for Foreign Affairs and Security Policy, who will also act as Vice-President of the Commission. Her responsibilities include overseeing the European External Action Service formed in part by staff from Members States' diplomatic services (in total, it will comprise 100 000 staff distributed across more then 2 000 embassies and 1 000 consulates around the world).
The voting system extends qualified majority voting, although unanimity is still required on some matters, including foreign policy, defence and taxation. From 2014, the 'double majority' system will be used (defined as votes representing 65 % of the population and 55 % of Member States, with a minimum of 15).
The Treaty grants more powers to the European Parliament, which becomes co-legislator with the European Council. It establishes the Charter of Fundamental Rights, which has equivalent legal force to the Treaties; four countries have opted out of some of the clauses of this. Additionally, citizens can make use of the European Citizens' Initiative to call on the Commission if they can gather one million signatures.

3. Spanish Presidencies of the EU

Facilitating the application of the Lisbon Treaty is the principal objective of the current Spanish Presidency of the EU (January–June 2010), the first since the new Treaty entered into force. With the application of the Lisbon Treaty, the traditional *six-monthly rotating Presidency* of the European Council has lost some of its functions to the permanent President of the European Council and the High Representative for Foreign Affairs and Security Policy. In any case, the Treaty maintains the means by which a country undertakes specific responsibilities in the Union's general administration by rotation. The purpose of this rotating Presidency is to organise and chair European Council meetings, with the exception of Foreign Affairs meetings which, since the application of the new Treaty, are the responsibility of the High Representative for Foreign Affairs and Security Policy.

Holding the Presidency has always been seen as an administrative challenge of the highest order in respect of the other EU Member States. The country holding this responsibility essentially has a dual function: impetus and balance. It must drive the European project forward and yet do so in a balanced, harmonious way. For this purpose, it puts its entire government at the service of the Union, while at the same time taking the opportunity offered by the Presidency to move its initiatives to the top of the European and international agenda.

Spain has held the six-month European Presidency on four occasions: in 1989, 1995, 2002 and 2010. On each of these four occasions the organisational framework has followed a similar model, based on the institutional support given by the Prime Minister's office through a *Support Unit* which works in coordination with the State Secretary to the EU of the Ministry of Foreign Affairs and Cooperation and the

Spanish Delegation to Brussels. Each Presidency has set some specific objectives relating to the two spheres of European and Spanish activities, and has followed a different style of delivery, according to the Prime Minister at the time. Felipe González held responsibility for the two first Presidencies, José María Aznar the third, while the fourth falls to José Luis Rodríguez Zapatero.

Experts' overall assessment of the Spanish Presidencies is generally positive, both as regards their organisation and the results achieved.

3.1. 1989 Presidency

Spain saw this Presidency as an opportunity to demonstrate its effectiveness as a new Member State and to take its place among the key proponents of European integration. The Madrid European Council (26–27 June 1989) approved the *Delors Report* establishing three phases for achieving Economic and Monetary Union and a European system of central banks tasked with overseeing the new monetary policy. In that year, the countries of Central and Eastern Europe began their processes of democratisation, for which the Council displayed its support, and it encouraged the integration of the countries belonging to the European Free Trade Association. Spain took the opportunity to modernise its government and, more specifically, to restructure its diplomatic service, creating the General Secretariat for Foreign Affairs. Meanwhile, following its international interests, it also promoted EC dialogue with Latin America and the countries of the Mediterranean, particularly regarding the situation in the Middle East. Socially, it did not achieve the progress it had hoped for in developing the European Social Charter, mainly due to opposition from the United Kingdom. This was a very active Presidency, in which 50 meetings were held at ministerial level and 25 political declarations were issued.

3.2. 1995 Presidency

In the second six months of 1995, Spain assumed Presidency of an EU of 15 members, determined to achieve Economic and Monetary Union and the objectives of the Maastricht Treaty. The Spanish Government had been directly involved in drafting the Treaty and was working hard to consolidate its position at the centre of European decision-making. Domestically, Spain was coming to the end of a long period in government by Felipe González's PSOE party, but this did not alter the country's focus. The most significant moments in this Presidency were the adoption of the timetable for introduction of the single currency, approving its name and the symbol by which citizens would identify the new notes and coins, and in foreign affairs the signature of the New Transatlantic Agenda with the United States, in Madrid on 3 December 1995. Similarly, Spain turned the European spotlight on the south, hosting the Euro-Mediterranean Ministerial Conference in Barcelona, of which the declaration called for dialogue between the countries on both sides of the Mediterranean, and paving the way for the cooperation with Latin America with the signature of an initial agreement with Mercosur.

3.3. 2002 Presidency

The third Spanish Presidency of the EU coincided with the euro's entry into circulation (1 January 2002), one of the historic ambitions of the united Europe. But the six-month Presidency also faced unrest in international politics after the terrorist attacks of 11 September 2001. It was the first Presidency of José María Aznar's government, which used it as an opportunity to promote anti-terrorism initiatives. Spain's initiatives included police cooperation, border control, the drawing up of lists of criminal organisations and warrants for the arrest and surrender of terrorist suspects, and anti-illegal immigration measures. Judicial and police cooperation with the United States was also strengthened. In macroeconomics, it promoted fulfilment of the agreements of the *Lisbon Strategy*, which brought together initiatives presented two years earlier by Aznar and the UK Prime Minister Tony Blair on employment and promoting investment in education, research and development. Spain's strategy distanced it from its traditional Franco–German allies, and sought support from London, Rome and The Hague. However, traditional Spanish priorities such as the promotion of dialogue between Europe and the Mediterranean and with Latin America remained. During this Presidency, unprecedented agreements were reached, with summits held with Latin America, the Caribbean and Mexico, and the signature of a new free trade agreement with Chile.

3.4. 2010 Presidency

The objective of this fourth Spanish Presidency — currently under way — is the full implementation of the Lisbon Treaty and, consequently, facilitation of that of the two new institutional posts: President of the European Council, and High Representative for Foreign Affairs and Security Policy, who will oversee the EU's external action and represent the EU internationally. The goal is to move forward so that Europe speaks with a single, united voice on the international stage. In response to the international economic crisis, the Zapatero government has put forward proposals to aid recovery of the Member States (of which there are now 27, following the accession of Bulgaria and Romania on 1 January 2007), according to the blueprint set by the Commission in its *2020 Strategy* (March 2010) to achieve 'smart, sustainable and inclusive growth'. Another priority is promoting a Europe of rights and freedoms for its citizens. The Presidency also coincides with a new European Commission taking office (February 2010). In accordance with the new Treaty, the Spanish Presidency begins a trio of Presidencies (Belgium and Hungary will follow Spain), to ensure greater continuity in an 18-month period. The *Reflection Group on the Future of Europe in 2020–2030*, chaired by Felipe González, will present its report on the future of the EU at the Madrid European Council (17–18 June), as Spain's fourth Presidency comes to an end.