European Economic Community

European Community (EC), previously (from 1957 until Nov. 1, 1993) European Economic Community (EEC), byname Common Market, former association designed to integrate the economies of Europe. The term also refers to the “European Communities,” which originally comprised the European Economic Community (EEC), the European Coal and Steel Community (ECSC; dissolved in 2002), and the European Atomic Energy Community (Euratom). In 1993 the three communities were subsumed under the European Union (EU). The EC, or Common Market, then became the principal component of the EU. It remained as such until 2009, when the EU legally replaced the EC as its institutional successor.

The EEC was created in 1957, 25th of march by the Treaty of Rome, which was signed by Belgium, France, Italy, Luxembourg, the Netherlands, and West Germany. The United Kingdom, Denmark, and Ireland joined in 1973, followed by Greece in 1981 and Portugal and Spain in 1986. The former East Germanywas admitted as part of reunified Germany in 1990.

The EEC was designed to create a common market among its members through the elimination of most trade barriers and the establishment of a common external trade policy. The treaty also provided for a common agricultural policy, which was established in 1962 to protect EEC farmers from agricultural imports. The first reduction in EEC internal tariffs was implemented in January 1959, and by July 1968 all internal tariffs had been removed. Between 1958 and 1968 trade among the EEC’s members quadrupled in value.

Politically, the EEC aimed to reduce tensions in the aftermath of World War II. In particular, it was hoped that integration would promote a lasting reconciliation of France and Germany, thereby reducing the potential for war. EEC governance required political cooperation among its members through formal supranational institutions. These institutions included the Commission, which formulated and administered EEC policies; the Council of Ministers, which enacted legislation; the European Parliament, originally a strictly consultative body whose members were delegates from national parliaments (later they would be directly elected); and the European Court of Justice, which interpreted community law and arbitrated legal disputes.

Members revamped the organization several times in order to expand its policy-making powers and to revise its political structure. On July 1, 1967, the governing bodies of the EEC, ECSC, and Euratom were merged. Through the Single European Act, which entered into force in 1987, EEC members committed themselves to remove all remaining barriers to a common market by 1992. The act also gave the EEC formal control of community policies on the environment, research and technology, education, health, consumer protection, and other areas.

By the Maastricht Treaty (formally known as the Treaty on European Union; 1991), which went into force on November 1, 1993, the European Economic Community was renamed the European Community and was embedded into the EU as the first of its three “pillars” (the second being a common foreign and security policy and the third being police and judicial cooperation in criminal matters). The treaty also provided the foundation for an economic and monetary union, which included the creation of a single currency, the euro. The Lisbon Treaty, ratified in November 2009, extensively amended the governing documents of the EU. With the treaty’s entry into force on Dec. 1, 2009, the name European Community as well as the “pillars” concept were eliminated.