

Cold War Europe, 1945-1991

1. Cold War, 1945-49

1945

26 June. The United Nations Charter was signed in San Francisco.

27 July. Victory for Labour Party in UK general election.

6 August. Explosion of Hiroshima Atomic bomb.

1946

16 March. Winston Churchill's 'Iron Curtain' speech at Fulton, Missouri.

19 September. Winston Churchill urged Franco-German reconciliation within a United States of Europe in a speech at Zurich.

1947

4 March. Treaty of Dunkirk. France and the UK signed a 50-year Treaty of Alliance and Mutual Assistance at Dunkirk.

12 March. President Truman said that 'it must be the policy of the United States to support free peoples who are resisting attempted subjugation by armed minorities or by outside pressure' (Truman Doctrine), and requested financial aid to Greece and Turkey.

17 March. Benelux Treaty entered into force, consisting of Belgium, Luxembourg and the Netherlands.

5 June. The United States (US) Secretary of State, General George Marshall, announced a plan for the economic rehabilitation of Europe which motivated the European Recovery Programme and helped form the Organisation for European Economic Cooperation (OEEC).

5 October. The Soviet Union and its allies rejection of Marshall aid resulted in the formation of Cominform.

23 October. The General Agreement on Tariffs and Trade (GATT) was signed after a prolonged 23 nation conference which resulted in the setting up of a permanent secretariat in Geneva. The 123 bilateral treaties were made during the first round of negotiations, while a set of rules governing the conduct of international trade were established.

1948

January. Belgium, Luxembourg and the Netherlands established a customs union.

22 January. The UK Foreign Secretary, Ernest Bevin, proposed a form of Western Union in a House of Commons speech.

17 March. Brussels Treaty was signed by Belgium, France, Luxembourg, the Netherlands and the UK. Constituting a 50 year alliance against attack in Europe, it provided for economic, social and cultural collaboration and collective self-defence. It was the forerunner of the North Atlantic Treaty Organisation (NATO).

3 April. President Truman signed the Foreign Assistance Act making the Marshall Plan law.

16 April. The OEEC was formed out of the Committee for European Economic Cooperation. It had been formerly set up by sixteen countries to assess their requirements in goods and foreign exchanges between 1948-52. The members of the OEEC were Austria, Benelux, Denmark, France, Germany FRG, Greece, Iceland, Ireland, Italy, Norway, Portugal, Sweden, Switzerland, Turkey and the UK.

7-11 May. The International Committee of the Movement for European Unity held a European Congress in the Hague.

24 June. The Berlin blockade by the Soviet Union began.

6 July. Start of talks in Washington between the US and the Brussels Treaty powers on North Atlantic defence.

1 September. Convening of West German Constituent Assembly.

27-28 September. The Defence Ministers of the Brussels Treaty powers decided to create a Western European Union defence organisation.

25-26 October. The Consultative Council of the Brussels Treaty powers announced 'complete agreement on the principle of a defensive pact for the North Atlantic and on the next steps to be taken in this action'.

October. European Movement established in the wake of the May 1948 Congress of Europe.

10 December. Start of negotiations in Washington on the drafting of the North Atlantic Treaty between the representatives of Canada, US and the Brussels Treaty powers.

1949

15 March. The negotiating powers of the North Atlantic Treaty asked Denmark, Iceland, Italy, Norway and Portugal to accede.

18 March. Publication of the text of the North Atlantic Treaty.

4 April. NATO was formed for defence purposes by Belgium, Canada, Denmark, France, Iceland, Italy, Luxembourg, the Netherlands, Norway, Portugal, the UK and US.

20 April. Start of six-day European Economic Conference in London organised by the European League for Economic Cooperation.

5 May. Statute of the Council of Europe was signed in Strasbourg by the five Brussels Treaty Powers as well as Sweden, Denmark, Ireland, Italy and Norway. They were later

joined by Iceland, Greece, Germany and Austria. While the intention was to provide a forum
for

Western European Parliamentarians, the aim of political unity did not arise, with the Council having been given no real powers, decisions being subjected to a veto.

9 May. Lifting of the Berlin blockade.

10 August. Inaugural session of the Council of Europe in Strasbourg.

24 August. North Atlantic Treaty entered into force.

20 September. Constitution of the Federal Republic of Germany (FRG).

6 October. US President Truman signed the Mutual Defence Assistance Act.

2. Ideals and breakdown, 1950-54

1950

9 May. Schuman Plan proposal to put French and German coal and steel industries under one authority.

9 May. European Defence Community (EDC) plan was presented by French Defence Minister, Rene Pleven. While it proposed to integrate the FRG into the defence of Western Europe, it was eventually rejected by the French National Assembly in 1954.

11 May. The three Foreign Ministers of the US, France and the UK - Dean Acheson, Robert Schuman and Ernest Bevin - met in London to discuss the problems of Western defence and the future of the FRG.

27 May. UK government explained to the French government that it could not accept a prior commitment to pool coal and steel resources and set up a common authority.

3 June. The Six issued their first communiqué announcing their intention to go ahead with 'the pooling of the production of coal and steel and the institution of a new high authority'.

20 June. Start of the negotiations between the Six that led to the ECSC Treaty.

25 June. North Korean forces attacked the Republic of South Korea.

1 July. The European Payments Union (EPU) was established providing multilateral payments among the OEEC countries and their associated territories.

1 August. Turkey announced that it would make a formal application to join the North Atlantic Treaty.

11 August. The Consultative Assembly of the Council of Europe in Strasbourg adopted a proposal that called for a 'common European army under the authority of a European Minister of Defence'.

24 October. The Pleven Plan was put to the French National Assembly by Prime Minister Rene Pleven. It envisaged the creation of a supranational army of initially 100,000 men, including West German troops, financed by a common budget and placed under the leadership of a European Minister of Defence who would be responsible to the Council of Ministers and Common Assembly. Members of NATO would retain control of their national forces not used as part of the European Army, although the FRG would not.

28-31 October. During the debate over the Pleven Plan the UK refused to join. London's reaction was negative because the government believed France was advocating a plan whose only function was to prevent a resurgence of German power.

4 November. UK ratified the European Convention on Human Rights.

18 December. The Spofford Proposal stressed that the US would increase its European defence commitment if European NATO powers agreed to establish an integrated European force (including a West German contribution).

19 December. US General Dwight Eisenhower was appointed Supreme Allied Commander Europe (SACEUR) by the North Atlantic Council.

20 December. The Consultative Council of the Brussels Treaty powers decided to merge to merge the military organisation of the Western Union into NATO.

1951

12 February. UK Prime Minister, Clement Attlee, stated four conditions for a West German contribution to the defence of Europe. The first was rearmament of NATO countries had to proceed that of the FRG; secondly, that Allied forces had to be significantly strengthened before West German units could be raised; thirdly, West German units had to be associated with other NATO forces in a manner that did not constitute them being a threat; and finally, there had to be an agreement with the West Germans on the level of their contribution.

15 February. Commencement of the Paris European Army conference, at which the UK noted its intention not to be a participant in the EDC by only sending an observer, Sir Oliver Harvey - the Ambassador to Paris, as did Canada, Denmark, Norway, Portugal and the US.

18 April. The Treaty of Paris which established the ECSC was signed by Benelux, France, FRG and Italy 'to establish, by creating an economic community, the foundation of a wider and deeper community'. The Treaty was to become operational in 1953 and establish the first common European authority. The ECSC High Authority was subject to democratic control through an Assembly composed of representatives from the six national parliaments, as well as to rule of law through the Court of Justice.

8 July. Petersberg negotiations on the FRG's role in the defence of Europe were suspended.

25 October. Victory for Conservative Party in UK general election.

1952

18 February. Greece and Turkey joined the North Atlantic Treaty.

27 May. The EDC Treaty was signed in Paris by the Six and a Treaty of association was signed with the UK on the same day. Member States representatives of the North Atlantic Treaty signed a Protocol to the Treaty which gave guarantees to EDC members.

25 July. The ECSC came into operation.

10 August. First meeting in Luxembourg of the ECSC High Authority, of which a UK diplomatic representative was appointed to the organisation.

10 September. The ECSC Common Assembly held its first sitting in Strasbourg.

1953

29 January. France ratified the EDC Treaty.

10 February. An ECSC common market for coal, iron ore and scrap was opened.

1 May. An ECSC common market for steel was opened.

1954

13 April. Memorandum of UK association with the EDC was published.

30 August. The French National Assembly rejected the EDC Treaty.

3 October. The London Treaty included a commitment by the UK to pledge four army divisions to the Continent in support of the Western European Union (WEU).

23 October. Paris Agreements were signed embodying decisions of the London Conference for amendment of the Brussels Treaty to admit Italy and the FRG, with German membership of NATO. The WEU was formed, consisting of the Six ECSC countries plus the UK.

21 December. An association agreement between the UK and the ECSC was signed in London by Jean Monnet and Duncan Sandys. This provided for a Council of Association meeting to take place alternatively in London or Luxembourg, being comprised of four representatives from each side, with a provision for subsidiary committees.

3. Road to Rome, 1955-60

1955

February. The UK's Associate status of the ECSC was ratified in the House of Commons.

5 May. The Federal Republic of Germany was integrated into NATO and the WEU by the Treaties of Paris.

20 May. Benelux countries proposed to other ECSC countries the creation of a European atomic organisation and customs union.

26 May. Victory for the Conservative Party in UK general election.

2-4 June. A committee was set up under the chairmanship of Paul-Henri Spaak at the Messina Conference of Foreign Ministers of the Six. The committee was to look at ways in which 'a fresh advance towards the building of Europe' could be achieved.

23 September. The Association Agreement between UK and the ECSC entered into force.

1956

29 May. The Spaak Report was approved by Foreign Ministers.

June. Negotiations between the Six with the intention of forming an Economic Community and an Atomic Energy Community were formally opened.

18 July. The European Nuclear Energy Agency (ENEA) was proposed.

26 July. Egypt nationalised the Suez canal.

17 August. The Communist Party was banned in the FRG.

29 September. Franco-German agreements on the Saar.

3 October. UK Chancellor of the Exchequer, Harold Macmillan, announced the government's readiness to join a limited European Free Trade Area (EFTA).

31 October. Franco-British intervention in the Suez canal area.

1957

1 January. Political integration of the Saar with the FRG.

7 February. UK put forward its proposal for establishment of EFTA to the OEEC.

25 March. The Treaties of Rome were signed which established the EEC and European Atomic Energy Community (Euratom).

29 July. Signing in Berlin of a declaration by the governments of France, the FRG, the UK and US which affirmed the identity of their policies regarding the reunification of the FRG and European security.

1958

1 January. The Treaties of Rome came into effect.

7 January. Walter Hallstein was appointed the first President of the European Commission.

1 February. The ENEA came into effect.

19 March. First meeting in Strasbourg of the European Parliamentary Assembly.

March. Monetary Committee established 'to keep under review the monetary and financial situation of the Member States and of the Community'.

1 June. General Charles de Gaulle was invited to head the French government.

3-11 July. A conference in Stresa established the foundations for the CAP.

21 December. General Charles de Gaulle was elected President of the French Republic.

27 December. Ten European countries restored the convertibility of their currencies as defined in Article VIII of the IMF Articles of Agreement. This signalled the demise of the European Payments Union.

29 December. 14.8% devaluation of the French franc.

1959

1 January. The First tariff reductions and quota enlargements in the common market took place.

4 February. A cooperation agreement was signed between the UK and Euratom.

February. Benelux states signed a new treaty of economic union to establish the Benelux Economic Union.

May. First meeting of the Council of Economics and Finance Ministers (EcoFin).

8 June. Greece requested association with the EEC under Article 238 of the Treaty of Rome.

8 October. Victory for Conservative Party in UK general election.

20 November. Austria, Denmark, Norway, Portugal, Sweden, Switzerland, and the UK signed the Stockholm Convention which established EFTA.

1960

4 January. Convention of Stockholm establishing the EFTA was signed by Austria, Denmark, Norway, Portugal, Sweden, Switzerland and the UK.

January. The Benelux Economic Union formally entered operation.

13 April. UK Government announced the end of the Blue Streak Missile programme.

3 May. EFTA formally came into existence, being subsequently joined by Finland, Iceland and Liechtenstein.

17 May. The Paris Summit meeting collapsed.

May. First Directive on the liberalisation of capital movements.

9 June. The Six rejected early negotiations to join with EFTA.

27 July. A UK Cabinet reshuffle meant that Lord Home became the Foreign Secretary and Edward Heath became the Lord Privy Seal with special responsibility for Europe.

7 November. In a speech to the UK Council of the European Movement Harold Macmillan called for European economic unity.

1 December. The WEU invited the UK to negotiations for full EEC membership.

14 December. Organisation for Economic Cooperation and Development (OECD) Treaty was signed in Paris, replacing the OEEC with the inclusion of Canada and the US.

19-20 December. The basic principles governing the CAP were approved by the Council of Ministers.

4. Establishment and progress, 1961-63

1961

1 January. The common market took its first action in establishing a common external tariff.

28-29 January. General de Gaulle and Harold Macmillan had private talks at Rambouillet, at which UK membership of the Community was discussed.

10-11 February. Paris summit of the Six on the development of the Union with regard to expansion. The communiqué of the meeting expressed a willingness to create agreements with other European countries, especially the UK. The representatives were de Gaulle (France); Adenauer (Federal Republic of Germany); Amintore Fanfani (Italy); Jan de Quay (Netherlands); Gaston Eyskens (Belgium); and Pierre Werner (Luxembourg).

27 February. Edward Heath told the WEU that the UK was prepared to accept, in principle, the common external tariff.

1 March. France rejected a UK proposal for a European system in which the UK would retain her Commonwealth preference and agricultural arrangements. The French Foreign Minister, Couve de Murville, invited the UK to join the EEC.

11 May. Denmark's Foreign Minister, J.O. Krag, stated that Denmark would apply for membership of the EEC if the UK did.

28 June. The London Declaration stated that the UK would coordinate any EEC accession negotiations with her EFTA partners.

4 July. Ireland announced its intention of joining the EEC.

9 July. EEC signed an association agreement with Greece known as the Treaty of Athens.

18 July. Bonn Declaration on political union was signed by the Six.

July. The Monnet Committee proposed the creation of a European Union of Monetary Reserves as the first move towards a European currency.

1 August. Austria announced its intention of seeking some form of participation in the EEC.

1 August. Ireland applied for membership of the EEC.

9 August. UK sent its formal application to join the EEC.

10 August. Denmark applied for EEC membership.

13 August. Erection of Berlin wall.

1 September. The first regulation regarding the free movement of workers from Member States within the EC came into effect.

12-14 September. The Commonwealth Consultative Council met in Acra to discuss the implications of the UK's entry into the EEC.

13 September. Commonwealth Finance Ministers criticised the UK's decision to join the EEC.

26 September. The common market Council of Ministers unanimously agreed to open negotiations for the UK's entry.

30 September. The Convention which established the OECD came into force.

10 October. Edward Heath accepted the Rome Treaty and the political consequences but sought conditions for UK agriculture in a statement in Paris.

12 October. The UK Conservative Party approved Macmillan's decision to enter the common market.

23 October. Ireland commenced its negotiations for membership of the EEC.

26 October. Denmark's negotiations for membership of the EEC began.

2 November. Publication of the Fouchet Plan draft treaty for political union. This was rejected by the Six apart from France.

8 November. Formal negotiations began in Brussels between the UK and the common market Council of Ministers.

15 December. The three neutrals, Austria, Sweden and Switzerland, applied for association with the common market.

30 December. The common market Countries postponed the decision on UK agriculture.

1962

14 January. The Community fixed the basic features of the common agriculture policy, as well as regulations for grains, pigmeat, eggs and poultry, fruit and vegetables.

20 January. The talks between the UK and the common market were delayed while the Six sought agreement on a common agricultural policy.

9 February. Spain applied for an association agreement with the EEC.

28 February. The Norwegian Prime Minister announced that Norway would apply for membership of the EEC.

2 March. UK applied for membership of the ECSC.

5 March. UK applied for membership of Euratom.

30 March. The Assembly changed its name to the EP.

17 April. The Fouchet Plan collapsed at a Foreign Ministers meeting, primarily because of a lack of agreement over the UK's role.

30 April. Norway requested negotiations for membership to the common market.

11 May. Edward Heath put forward the first practical offer on the UK's membership of the common market.

15 May. The Six agreed to accelerate the establishment of a common market.

28 May. Portugal announced its desire to join the EEC.

30 May. In its negotiations to join the common market the UK made a concession on Commonwealth manufactured goods.

2 June. Harold Macmillan visited General de Gaulle in Paris.

5 June. UK received criticism from Australia, New Zealand and Canada over its handling of the negotiations to enter the common market.

1 July. The European Agricultural Guidance and Guarantee Fund (EAGGF) began operation.

4 July. Negotiations with Norway for membership of the EEC began.

6 July. The Six accepted annual agricultural reviews.

20 July. Hugh Gaitskell of the Labour Party suggested that a general election should be held if UK terms of entry were not satisfactory.

30 July. The first regulations implementing the common agriculture policy came into effect.

5 August. After a long negotiating session no agreement was produced between the UK and the Six. Spaak stated that the UK was unable to accept the Six's proposal and the talks were recessed until October.

19 September. Conclusion of the London Commonwealth conference, which had commenced on 10 September. The meeting produced a communiqué which agreed to the UK continuing its negotiations to join the common market.

1 November. Agreement was reached on Greece's associate membership of the EEC.

28 November. The Gaullist Party won an absolute majority in French National Assembly.

5 December. Dean Acheson's stated that the UK 'has lost an empire and not yet found a role' in a speech to the West Point Military Academy in New York.

15 December. Harold Macmillan had talks with General Charles de Gaulle at Rambouillet over the question of UK membership of the Community.

18-21 December. Macmillan met with President Kennedy in Nassau. The talks were concerned with the US cancellation of Skybolt, which had been intended as a replacement for the UK Blue Streak missile (which itself had been cancelled). As a consequence the US agreed to supply the Polaris missile to the UK. This was to be later used by de Gaulle as a means of vetoing the UK's application to join the EEC because it demonstrated unacceptable close cooperation between London and Washington.

December. The second Directive on the liberalisation of capital movements.

1963

14 January. The day before Edward Heath was due to start one of two scheduled long sessions in Brussels with the Six, President de Gaulle announced that the UK was not yet ready to join the EEC.

22 January. French President Charles de Gaulle and German Chancellor Konrad Adenauer signed the Franco-German Treaty of Friendship and Cooperation.

29 January. The UK's negotiations to join the common market ended.

11 July. EEC agreement to hold regular WEU meetings, including the discussion of economic cooperation issues, between the UK and EEC.

20 July. The Yaoundé Convention was signed, consisting of an association of eighteen African States and Madagascar with the EEC for five years.

12 September. Association agreement was signed between Turkey and the EEC.

11 October. Konrad Adenauer resigned from the office of Chancellor of the Federal Republic of Germany. He was succeeded by Ludwig Erhard on 17 October.

23 December. Agreement was reached on the common farm-policy regulations for rice, beef and dairy products to take effect on 1 November 1964.

5. Institutional amalgamation, 1964-66

1964

8 May. Establishment of the Committee of Governors of the Central Banks of the Member States of the EEC.

May. The GATT Kennedy Round of international tariff negotiations opened in Geneva with the states of the Community participating as a single delegation.

1 June. The Yaoundé Convention came into force.

1 July. The Guidance and Guarantee Fund of the CAP began operation.

23 September. The common market Commission banned the Grundig-Consten exclusive-sales agreement because it contravened monopoly rules.

15 October. Victory for Labour Party in UK general election.

26 October. Announcement of 15% surcharge on UK imports.

October. Third Directive on the liberalisation of capital movements was proposed, though never approved.

1 December. Agreement on Turkey's associate membership took effect.

15 December. The Council adopted the Commission's Plan for common prices for grains.

1965

15 February. Sir Alec Douglas-Home declared himself to be in favour of political, military and economic union with Europe at a Young Conservative rally.

16 February. In the House of Commons the UK Prime Minister stated that it was not practical to join the EEC, but if favourable conditions developed then London would negotiate, but with the condition that UK and Commonwealth interests were satisfied.

31 March. The common market Commission proposed that as from 1 July 1967 all Community countries' import duties and levies should be paid into the Community budget and that the powers of the EP should be increased.

3 April. Conclusion of the merger Treaty to establish a unified Council and Commission of the Communities.

8 April. The Six signed the treaty merging the Executives of the Community, which enhanced the status of the Commission. While there already existed a single Assembly, single Court of Justice and, in practice, a single Council for the three Communities, there were three different executives served by a separate President.

30 June. Commencement of the empty chair crisis when French personal representatives boycotted all meetings of the Council of Ministers.

1 July. The European Council failed to achieve agreement on the financing of the CAP. This resulted in France boycotting the Community institutions for seven months in opposition to the Commission proposal that all import duties and levies be paid in to the Community budget, and the powers of the EP be increased, a period commonly referred to as the 'empty chair crisis'.

3 August. The UK Prime Minister stated in the House of Commons that while some conditions for EEC membership had changed, agriculture was still a problem.

9 September. President Charles de Gaulle announced at a press conference that French military integration within NATO would end by 1969 at the latest.

1966

29 January. The Foreign Ministers of the Six reached a compromise and agreed to resume the full activities of the Community. Commonly referred to as the ‘the Luxembourg compromise’, it settled a dispute which had hampered the Community’s activities for seven months.

7 March. President Charles de Gaulle informed US President Johnson of France’s intention to cease participation in the integrated military commands of NATO.

10 March. President de Gaulle announced France’s intention of withdrawing from the Alliance’s integrated military structure and the need to remove Allied military forces and military headquarters from France.

29 March. The French government announced that French force assignments to NATO would end on 1 July 1966 and that Allied military forces and headquarters would have to be removed from France by 1 April 1967.

31 March. Victory for Labour Party in UK general election.

21 April. The Queen’s speech highlighted the UK government’s desire to enter the EEC if essential UK and Commonwealth interests were safeguarded.

11 May. The Council agreed that all tariffs on trade between the Member States should be removed on 1 July 1968 and that the common external tariff should come into effect which would, therefore, complete the Community’s customs union. It also agreed on the completion of the common farm policy by the same date.

13 June. Commonwealth Trade Ministers' Conference in London at which the issue of the UK's relationship with the EEC was discussed.

21 June. The Belgian Chamber of Representatives approved the transfer of the Supreme Headquarters Allied Powers Europe (SHAPE) to Belgium.

July. An EEC association agreement was signed with Nigeria.

24 July. The Council agreed on common prices for beef, milk, sugar, rice, oilseeds and olive oil which would, therefore, enable free trade in agricultural products by 1 July 1968.

14 September. At a meeting of Commonwealth Prime Ministers' the issue of the UK's position in the EEC was discussed, with the decision that Commonwealth ministers would be kept informed of all proceedings.

26 October. UK informed other EFTA countries that it would try to join the EEC.

10 November. The UK Prime Minister, Harold Wilson, announced his plan for a high level approach to the Six with the intention of applying for membership.

November. The Segrè Report on the development of a European capital market.

1 December. Formation of a coalition government in the FRG, including Kurt-Georg Kiesinger as Chancellor (Christian Democrat) and Willy Brandt as Vice-Chancellor and Foreign Minister (Social Democrat).

5 December. The UK government met with EFTA representatives, resulting in approval of its decision to explore the possibility of membership of the Communities.

14 December. At a WEU meeting in Paris the West German Foreign Minister, Willy Brandt, made a plea for the UK to join the EEC.

16-17 December. The UK Prime Minister and Foreign Secretary visited Rome to start their examination of possible membership opportunities of the Communities.

6. Claims for expansion, 1967-70

1967

25 January. UK application was welcomed without opposition by the Consultative Assembly of the Council of Europe.

8-9 February. The Council of Ministers accepted the first five-year programme outlining economic development and agreed to introduce in all the six countries a uniform system of value-added tax.

3 March. At EFTA Ministerial talks in Stockholm the UK promised to consult the members before taking the final decision over membership of the Communities.

21 April. Military coup in Greece.

28 April. UK government met with EFTA government representatives.

2 May. Harold Wilson announced the UK's decision to apply for membership of EEC, ECSC and Euratom.

10-11 May. Denmark, Ireland and the UK submitted formal applications for membership of EEC, ECSC and Euratom.

15 May. End of the Kennedy Round negotiations resulted in an agreement to make major cuts in industrial tariffs.

5 June. The EEC Council acknowledged the UK's application without any major discussion.

1 July. The Community Executives (ECSC High Authority, EEC and Euratom Commissions) were merged into a one fourteen-member Commission with the Belgian Jean Rey as President.

1 July. The Community introduced free trade for grains, oilseeds and those products whose production costs were essentially dependent on the price of grains, *i.e.* pigmeat, eggs and poultry.

1 July. The joint Commission of the European Communities took office under the Presidency of Jean Rey.

10 July. M. Couve de Murville told the European Council that the UK's membership would transform the Community into an Atlantic Community.

24 July. Norway formally applied for membership of the Communities.

28 September. Sir Alec Douglas-Home, in a lecture in Luxembourg, stated that the UK's membership of the Communities was 'an act of faith.'

3 October. Submission of the Preliminary Opinion of the Commission on the UK's enlargement application.

18 November. The pound sterling was devalued by 14.3%.

27 November. At a press conference de Gaulle noted the incompatibility of the EEC with the state of the UK's economy.

29 November. Harold Wilson refuted de Gaulle's stance against the UK through a sixteen point programme.

18-19 December. The Council reached deadlock over enlargement of the Community after de Gaulle objected to the UK's membership, insisting that negotiations would only resume when there had been an improvement in the UK economy. Nevertheless, the UK kept its application on the table and later advanced it through the WEU.

1968

17 March. World bankers agreed to a two-tier price system for gold, with an official price of \$35 and a free market for private dealings.

2 April. The European Commission submitted its opinion on transnational arrangements.

26 April. At a WEU Ministerial meeting the UK stressed that it would reject any arrangements that fell short of full membership of the Communities.

1 July. The customs union was completed and the common external tariff operated around the Community, with the Six having removed all the remaining restrictions on the free movement of workers. The Community made the first Kennedy Round tariff cuts.

18-19 July. The Six adopted basic regulations for a common transport policy.

20 July. For the first time the Community applied Article 108 (mutual aid) of the Treaty of Rome whereby it authorised France to impose some quotas so as to overcome balance of payments difficulties.

26 July. The Community signed an association agreement with Kenya, Uganda and Tanzania at Arush, Tanzania.

28 July. The single market was introduced for dairy and beef products.

29 July. The Six decided to remove the last remaining restrictions on the free movement of workers and the last national discriminations between workers of the Member States in employment, pay and other conditions.

9 December. The Six adopted a common foreign trade policy for a large section of the Community's imports.

10 December. A radical 10 year agricultural reform programme was announced by the Vice-President of the Commission, Sicco Mansholt.

10 December. The Six agreed on technological Cooperation with other interested European states.

18 December. The Commission put forward guidelines for a common energy policy.

1969

4 February. A two year extension of cooperation between the UK and Euratom.

12 February. The Commission urged the Six to coordinate more closely their economic and monetary policies as well as advocating a joint mutual-aid system to help member countries that were in balance of payments difficulties.

25 March. The Six adopted a programme to align legislation on technical standards for food and industrial goods.

May. The Heads of Government of the Six met in the Hague and decided to widen and deepen the Community.

25 April. The Commission drafted the 1970-74 Euratom programme urging the Six to let Euratom extend its activities to non-nuclear scientific research.

28 April. The French President, General Charles de Gaulle, resigned and was succeeded in July by Georges Pompidou, there having been a short interim Presidency of Poher.

31 May. The Yaoundé Convention expired.

10 July. The French President Georges Pompidou declared that in principle he did not oppose UK membership.

16 July. The Commission proposed that the activities of the Community should be financed from its own resources by 1974, and that the Six increased the budgetary powers of the EP.

17 July. The Six agreed, in principle, to the short-term mutual-aid system and decided to hold prior consultations on proposed major short-term economic policy measures.

28 July. First Amendment to the IMF Articles of Agreement (creation of special drawing rights).

29 July. The second Yaoundé Convention was signed.

8 August. The French franc devalued by 11.1%.

1 September. Partial association agreements were signed with Morocco and Tunisia.

24 September. Kenya, Uganda and Tanzania renewed their association agreements with the EEC.

29 September. The Federal Republic of Germany floated the Deutschmark.

2 October. The Commission gave its revised opinion on the UK's application.

15 October. The Commission presented proposals on the harmonisation of national regional policies and called for an interest-rebate fund for, and permanent committee on, regional development.

17 October. France accepted the opinion that negotiations for the UK's membership of the European Communities should begin.

24 October. The Deutschmark was revalued by 9.3%.

1-2 December. At the Hague Summit the Six agreed to complete, enlarge and strengthen the Community. The Council agreed to finance CAP by giving the Community its own resources from 1978 and strengthening the EP's budgetary powers.

6 December. The Six agreed to reorganise Euratom.

31 December. Ending of the twelve-year transitional period for the establishment of the common market, as provided for in the EEC Treaty.

1970

1 January. The common foreign-trade policy came into operation.

26 January. The Six agreed on steps to jointly define medium-term economic policy and to create a short-term mutual-aid system.

9 February. The central banks of the Community activated a \$2 billion short-term mutual aid system.

4 March. The Commission submitted a three-stage plan for full monetary and economic union by 1980 (Werner plan).

19 March. A three year non-preferential agreement with Yugoslavia was signed.

21 March. The Commission outlined the necessary steps for the achievement of common industrial policy.

June. 1980 was set as the date for the completion of economic and monetary union (EMU).

18 June. Victory for Conservative Party in UK general election.

29 June. Preferential trade agreement between the Communities and Spain was signed.

30 June. Opening of negotiations with Denmark, Ireland, Norway and the UK.

1 July. The Commission was reduced from 14 to 9 members, and Franco-Maria Malfatti succeeded Jean Rey as President.

27 July. Six agreed to give the European Social Fund more powers to retrain and resettle workers.

31 July. The Davignon Report stated the need for twice-yearly ministerial meetings on political cooperation, bringing into play European Political Cooperation (EPC).

12 August. Signing in Moscow of a Non-Aggression Treaty between the FRG and the USSR.

1 October. Preferential trade agreement with Spain and Israel came into effect.

7-8 October. The Werner Report provided Member States with an outline for Economic and Monetary Union (EMU).

27 October. The Davignon Report was approved by Member States which therefore initiated the process of European Political Cooperation.

19 November. Foreign Ministers of the Six met in Munich for the first time in an effort to harmonise views on foreign policy under the auspices of EPC.

7 December. Signing in Warsaw of a Treaty on the normalisation of relations between the FRG and Poland.

7. Enlargement I, 1971-73

1971

1 January. Second Yaoundé and Arusha Conventions came into force.

1 January. The Community's own revenue system came into effect.

1 February. The Common Fisheries Policy took effect.

9 February. The Six launched a three-stage, ten-year plan for full EMU.

22 March. The European Council's decided to set up machinery for medium-term financial assistance.

22 March. The European Council and Member States representatives adopted a resolution on the achievement by stages of EMU in the EEC.

24 March. The Six took their first steps to modernise farming in accordance with the Mansholt Plan.

1 April. The Association Agreement with Malta became operational.

10 May. The Deutschmark and Dutch guilder were floated.

May. The Community issued its first joint foreign policy declaration on the Middle East.

23 June. Agreement at ministerial level was reached on the main issues concerning the UK's entry into the EEC.

1 July. The EEC introduced general tariff preferences for 91 developing countries.

15 August. The US imposed a 10% temporary surcharge on imports and suspended the convertibility of the dollar into gold.

12 September. The European Council's decision to give priority for the search for solutions to international monetary problems and solutions to the problem of organising European exchange rates.

17-18 December. The Group of Ten decided on a currency realignment, including a devaluation of the US dollar, at its meeting at the Washington Smithsonian Institute.

1972

22 January. The Treaty of Accession was signed by Denmark, Ireland, Norway and the UK.

21 March. Introduction of the currency 'snake' which formed the exchange rate agreement between Belgium, France, FRG, Italy and the Netherlands. While Norway, Denmark and the UK joined in May, the latter two countries withdrew from the system in June, although Denmark rejoined in October.

22 March. Sicco Mansholt became President of the Commission.

19 April. The Six signed an agreement to set up the European University Institute in Florence.

23 April. Enlargement of the European Communities to include Denmark, Ireland, Norway and the UK was approved by France in a referendum.

24 April. The Basle Agreement entered into force establishing the system for the narrowing of the margins of fluctuation between the currencies of the Community, otherwise known as the snake (margins of 2.25%) in the tunnel (plus or minus 2.25%). The participating countries were Belgium, France, the FRG, Italy, Luxembourg and the Netherlands.

1 May. The pound sterling, Irish pound and the Danish krone joined the snake.

- 10 May.** Yes vote in Irish referendum.
- 12 May.** An association agreement was signed between Mauritius and the EEC.
- 31 May.** The Commission submitted proposals to the Council for a common policy for scientific research and technological development.
- 23 June.** UK floated the pound and, alongwith Ireland, withdrew from the snake.
- 27 June.** The Danish krone temporarily left the snake.
- 22 July.** Conclusion of special relations agreement between the Community and EFTA countries, namely Austria, Iceland, Portugal, Sweden and Switzerland.
- 26 July.** An IMF Committee on the international monetary system (Committee of the Twenty) was set up.
- 24-25 September.** Norway withdrew its application to join the Community after a Norwegian referendum showed a majority against entry.
- 2 October.** Yes vote in Danish referendum on Community membership.
- 10 October.** The Danish krone rejoined the snake.
- 19-20 October.** The Paris Summit of the Nine prepared a blueprint for the future development of the Community. It was the very first summit meeting of the heads of state and government of the future enlarged Community of the Nine.
- 27-29 November.** The deputy members of the Committee of the Twenty began their work on the reform of the international monetary system at their meeting in Washington.
- 18 December.** Trade agreements were signed with Egypt and Lebanon.
- 21 December.** Signature in East Berlin of the Basic Treaty between the FRG and the German Democratic Republic (GDR).
- 31 December.** Denmark and the UK left EFTA.

1973

1 January. Denmark, Ireland and the UK officially joined the Community and the Six became the Nine. Portuguese and other EFTA countries' special relations and preferential trade agreements with Communities came into effect.

6 January. François-Xavier Ortoli was appointed President of the Commission of the European Communities.

1 February. Agreement on accession to CAP and on five year transition period.

13 February. The Italian lira left the snake.

12 March. The Deutschmark was revalued by 3% against the EMUA.

12 March. Announcement by the European Council of a joint float of EEC currencies within 2.25% margins of fluctuation against each other. This agreement did not include the pound sterling, the Irish pound and the lira, which continued to independently float.

14 March. The Norwegian krone and the Swedish krone became associate members of the Snake.

2 April. A trade agreement was signed between the EEC and Uruguay.

14 May. Trade agreement between Norway and EEC was signed.

3 April. The European Monetary Cooperation Fund (EMCF or FECOM) was established.

29 June. The Deutschmark was revalued by 5.5% against the EMUA.

1 July. Denmark took over the Presidency of the European Council for the first time.

July. Commencement of negotiations with the countries of the Yaoundé Convention, which had expanded to include Mauritius, and with the 27 countries of the Africa, Caribbean and Pacific.

3-7 July. Start of the Helsinki Conference on Security and Cooperation in Europe (CSCE).

17 September. The Dutch guilder was revalued by 5% against the EMUA.

6-27 October. In the wake of the Yom Kippur War between Egypt and Israel, Arab oil-producing nations stated that exports of oil would be stopped to certain Western countries which influenced the decision by the Organisation of Petroleum Exporting Countries to raise oil prices.

5 November. EC Member States issued a joint statement on the Middle East conflict, including conditions for a peaceful solution.

16 November. The Norwegian krone was revalued by 5% against the EMUA.

14-15 December. The Nine agreed to the introduction of a common energy policy at the Copenhagen European Council.

December. A trade agreement was signed with Brazil and India.

23 December. The Organisation of Petroleum Exporting Countries (OPEC) announced the doubling of the price of crude oil sold by the six Persian Gulf members.

8. Eurosclerosis and enlargement II, 1974-78

1974

17-18 January. The Committee of Twenty decided to adopt a gradualist approach to the reform of the international monetary system at its Rome meeting.

19 January. The French franc left the snake.

21 January. The Council of Ministers introduced the Social Action Programme.

4 March. Harold Wilson became UK Prime Minister as head of a minority Labour government with James Callaghan as Foreign Secretary.

1 April. Labour government presented demands for the UK's renegotiation of accession terms.

25 April. Portuguese revolution.

4 June. At a meeting of the Council of Ministers James Callaghan gave details of the UK's renegotiation terms.

14 June. The Committee of Twenty published a plan for reform, including immediate measures' and completion of its work.

31 July. Euro-Arab dialogue opened in Paris.

14 September. Community Heads of State and Government alongwith with President of the European Commission met at the Elyseé Palace at the invitation of the French President Valéry Giscard d'Estaing, where they decided to launch the European Council.

September. The FRG completely liberalised capital movements.

10 October. Victory for Labour Party in UK general election.

15 November. The International Energy Agency was established by the US, Japan, Canada and other oil-consuming countries including eight of the Nine. France's refusal to join highlighted the failure of the Nine to act together in the international oil crisis of the previous year.

9-10 December. Paris meeting of Heads of State and Government resulted in the institutionalisation of summit meetings through creation of the European Council. The meeting also agreed to the principle of universal direct elections to the EP, as well as the details concerning the creation of the European Regional Development as agreed at the 1972 Paris and 1973 Copenhagen summits.

December. An association agreement was restored with Greece after a civilian government came to power in July 1974.

1975

28 February. The Lomé Convention was signed and, therefore, replaced and extended the 1963 and 1969 Yaoundé Conventions and the Arusha Agreement. The Convention was between the EC and the 46 underdeveloped countries in Africa, the Caribbean and Pacific (ACP countries).

10-11 March. Conclusion of the UK's renegotiations at the first European Council meeting in Dublin.

17 March. The UK Cabinet voted 16 to 7 in favour of the terms achieved in the wake of the Dublin meeting. The seven ministers who rejected the terms were Castle, Benn, Foot, Shore, Silkin, Ross and Varley.

18 March. The European Regional Development Fund was established.

March. The European Unit of Account (EUA) was created as a basket comprising fixed quantities of the currencies of the nine Member States. This replaced the gold-based unit which had been used since the creation of the Community to determine the amounts involved in the CAP and budget.

9 April. The UK House of Commons voted by 398 to 172 in favour of the renegotiated terms, although a majority of Labour MPs were opposed (145 against with 137 in favour).

21 April. The European Unit of Account (EUA) was introduced in certain areas of Community activity.

11 May. A trade agreement was signed between the EEC and Israel.

5 June. UK referendum on the EC in which 17.3 million voted yes, while 8.4 million voted against the referendum (57.2%-32.8%). 64.55% of the electorate voted.

12 June. Greek application for membership.

10 July. The French franc rejoined the snake.

15 July. A trade agreement was signed between the EEC and Mexico.

22 July. The Treaty amending Certain Financial Provisions of the Treaties was signed which strengthened the budgetary powers of the EP and established the Court of Auditors.

1 August. The Final Act of the Conference on Security and Cooperation in Europe (CSCE) was signed in Helsinki by the 35 nations which took part. It initiated the CSCE process which included human rights provisions and confidence-building measures, regular implementation reviews and follow-up meetings.

6 October. Negotiations on a new trade agreement with Spain were broken off.

1-2 December. The Rome European Council decided that elections to the European Parliament should be by direct universal suffrage.

29 December. The Tindemans Report on political cooperation was presented to Member States, having been called for at the 1974 Paris Summit.

1976

7-8 January. The IMF Interim Committee met in Jamaica and approved, in principle, the Second Amendment to the IMF Articles of Amendment.

20 January. Agreement on resumption of negotiations with Spain on a new trade agreement.

2 February. The Independent European Programme Group was established with the participation of all European members of NATO apart from Iceland, to promote cooperation in research, development and production of defence equipment.

16 February. The Council for Mutual Economic Assistance (Comecon) sought negotiations with the EC, although these turned out not to be fruitful.

15 March. The French franc left the snake.

25-27 April. Collective bilateral trade and aid agreements were signed between the EC and the Maghreb states of Algeria, Morocco and Tunisia.

1 June. A trade cooperation agreement was signed between the EEC and Pakistan.

27 July. Formal opening of negotiations concerning accession of Greece to EC.

17 October. Frankfurt realignment of exchange rates against the EMUA. The Deutschmark was revalued by 2%, the Danish krone was devalued by 4%, and the Norwegian and Swedish krone were devalued by 1%.

30 December. The French constitutional court resolved that direct elections to the EP would not violate the French constitution. This decision came with the provision that the powers of the Parliament were not increased.

1977

1 January. The Nine agreed that all future negotiations with non-Member States for fishing rights within the 200-mile EEC limit be the responsibility of the Community and not to be resolved by individual Member States.

18 January. Collective bilateral trade and aid agreements were signed with the Mashreq states of Egypt, Jordan, Lebanon and Syria.

9 March. The European Centre for the Development of Vocational Training (CEDEFOP) was established in Berlin.

28 March. Portuguese application for EC membership.

1 April. The Swedish krone was devalued by 6%, and the Danish and Norwegian krone were devalued by 3% against the EMUA.

April. MacDougall Report on the role of federal finance in overcoming regional differences in the Community.

3 May. A trade agreement was signed between the EEC and Lebanon.

21-22 May. Informal meeting of Foreign Ministers of the European Council at Leeds Castle. The decision was taken to give more responsibility to the Committee of Permanent

Representatives (COREPER) in an effort to ensure that ministers were left with more time to deal with the major issues.

1 July. The Court of Auditors started operation.

28 July. Spain applied for EC membership.

28 August. The Swedish krone left the snake.

28 August. The Danish and Norwegian krone were devalued by 5% against the EMUA.

27 October. Roy Jenkins, speaking at the European University Institute in Florence, called for EMU to be put back at the top of the EEC agenda.

17 November. The European Commission's communication to the European Council on the prospect of economic and monetary union.

1978

13 February. The Norwegian krone was devalued by 8% against the EMUA.

3 April. A trade agreement was signed between the EEC and the People's Republic of China.

7-8 April. At the Copenhagen European Council meeting the FRG Chancellor Schmidt and the French President Giscard d'Estaing, discussed the issue of the European Monetary System (EMS) as a new route to EMU in a private meeting with the other heads of state and government. The intention was for it to be a fixed exchange rate linking European currencies together, with the advantage for the FRG being that it would reduce speculation against the Deutschmark as its value would be static.

6-7 July. European Council Summit in Bremen approved the Franco-German plan to establish the EMS.

October. James Callaghan told Helmut Schmidt of his domestic political difficulties and that he would not be able to enter the Exchange Rate Mechanism (ERM) of the EMS at the outset.

17 October. The Deutschmark was revalued by 4%, and the Dutch guilder and Belgian franc were both revalued by 2% against the EMUA.

17 October. Formal accession negotiations were opened with Portugal.

4-5 December. European Council meeting in Brussels adopted a resolution on the establishment of the EMS.

7 December. Multilateral free trade agreement initiated between Spain and EFTA.

12 December. The Norwegian krone left the snake.

18 December. The European Council adopted resolutions concerning the European Currency Unit (ECU) and the EMS.

21 December. The European Council adopted a decision increasing the amounts of medium-term financial assistance.

9. EMS, enlargement II and budget, 1979-84

1979

1 January. The European Currency Unit (ECU) was devised as a replacement for the European Unit of Account (EUA).

5 February. Accession negotiations with Spain were opened.

9-10 March. The European Council meeting in Paris brought the EMS into operation. The decision had already been taken in Brussels the December before, but had been held up pending agreement on the monetary compensatory amounts applied under the CAP. The four

main concepts of the EMS were the ECU, an exchange and information mechanism, credit facilities and transfer payments.

13 March. The EMS began operation ($\pm 2.25\%$ for all participants except the Italian Lira at $\pm 6\%$).

3 May. Victory for Conservative Party in UK general election.

28 May. An accession Treaty with Greece was signed in Athens.

7-10 June. First direct elections were held to the EP. In the UK on 7 June the Conservative Party received 60 seats, the Labour Party 17, Others 4, and Liberal Party 0.

21-22 June. The new UK Prime Minister, Margaret Thatcher, requested a reduction in the government's budget contributions at the Strasbourg European Council.

28 June. Tokyo G7 summit.

24 September. The Deutschmark was realigned in the EMS by $+2\%$, while the Danish krone was realigned by -2.9% .

October. Margaret Thatcher stated in a speech in Luxembourg her belief that the budget of the EC was 'unjust' and 'politically indefensible'.

31 October. The second Lomé Convention (Lomé II) was signed between the EEC and the 58 ACP states.

October. The UK completely liberalised capital movements.

20 November. The Council of Ministers endorsed the results of the Tokyo round of GATT agreements which reduced customs duties.

29-30 November. The Dublin European Council agreed that there should be a complementary of measures in favour of the UK, while additional projects would be financed by the regional and social funds.

30 November. The Danish krone was realigned in the EMS by -4.76% .

27 December. The Soviet Union invaded Afghanistan.

1980

24 January. Announcement of plan to station Cruise missiles in the UK.

7-8 March. Cooperation agreements were signed between the EEC and the ASEAN nations of Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand.

29-30 May. A European Foreign Ministers meeting resulted in a solution to the budgetary problem. The eight Member States conceded that it was not equitable to impose an excessive financial burden on a less prosperous country, but refused to set a ceiling on future UK contributions on the basis that the principle of Community financial solidarity must be upheld. The UK's net EEC contributions were cut by two-thirds.

2 June. The UK Cabinet endorsed the EEC budget agreement.

22 June. Venice G7 summit.

12 September. The Turkish military leadership took over the administration of the country.

1 October. The Labour Party conference voted to pull the UK out of the Community.

1 October. A Cooperation Agreement commenced between the Community and ASEAN.

15 October. James Callaghan retired as leader of the Labour Party to be later replaced by Michael Foot.

1981

1 January. Greece entered the EC.

1 January. The ECU replaced the EUA in the budget of the EC.

23 February. Attempted coup in Madrid.

23 March. The Italian lira was realigned in the EMS by -6%.

10 May. François Mitterrand was elected the first Socialist President of the French Fifth Republic.

23 June. A commercial and economic agreement was signed between the EEC and India.

7-9 July. The European Parliament decided to establish a committee on institutional affairs which would draft amendments to the existing treaties, being based on an initiative by Altiero Spinelli.

20 July. Ottawa G7 summit.

1 October. The Labour Party conference voted to pull the UK out of the EEC without a referendum.

5 October. The Deutschmark and the Dutch guilder were realigned in the EMS by +5.5%, while the French franc and the Italian lira were realigned by -3%.

18 October. Greek elections to the EP. Andreas c became the first Socialist Prime Minister of Greece.

21 October. Papandrea entered power in Greece.

October. Community Foreign Ministers reached agreement on the London Report which strengthened and extended European Political Cooperation.

6-12 November. A 'Draft European Act' was submitted by the German and Italian governments to other Member States, the European Parliament and the European Commission, commonly referred to as the Genscher-Colombo plan.

13 December. Imposition of martial law in Poland.

1982

22 February. The Belgian franc was realigned in the EMS by -8.5%, while the Danish krone was realigned by -3%. This was the fifth realignment of the EMS.

23 February. A referendum in Greenland resulted in a majority in favour of withdrawal from the EC.

25 February. A Common Fisheries Policy was established by the Council.

2 April. Argentina invaded the Falklands, surrendering to UK forces on 14 June.

5 June. Versailles G7 summit.

14 June 1982. The Deutschmark and the Dutch guilder were realigned in the EMS by +4.25%, while the Italian lira was realigned by -2.75% and the French franc by -5.75%.

30 June. Agreement on declaration of revised budgetary procedures.

17 September. Fall of Helmut Schmidt's Government, with Helmut Kohl succeeding him as Chancellor.

2 December. Felipe Gonzáles became Prime Minister of Spain.

1983

25 January. Agreement of the Common Fisheries Policy after six years of negotiation.

21 March. The Deutschmark was realigned in the EMS by +5.5%, the Dutch guilder by +3.5%, the Danish krone by +2.5%, the Belgian franc by +1.5%, the French franc and Italian lira by -2.5%, and the Irish pound by -3.5%.

March. The Committee of Governors of EC Central Banks adopted directives on an agreement between banks and the Bank for International Settlements for an ECU clearing system.

9 June. Victory for Conservative Party in UK general election.

19 June. 'Solemn Declaration on European Union' was signed in Stuttgart at the European Council meeting by Heads of State and Government and Foreign Ministers.

17-18 October. Community agreement on the organisation of fruit, vegetable and olive oil markets.

17 December. A bilateral trade and aid agreement was signed with Bolivia, Ecuador, Peru and Venezuela, often referred to as the Andean Pact.

1984

1 January. Establishment of EEC-EFTA free trade area.

14 February. The EP approved the Draft Treaty on European Union by 237 votes to 31 with 43 abstentions. 6 Conservative MEPs opposed.

28 February. The Council adopted a decision which established a European strategic programme for research and development in information technology (ESPRIT).

13 March. Signature of agreement on withdrawal of Greenland from the EC.

19-20 March. Brussels European Council meeting failed to produce a budget settlement.

30 March. Measures to reform the CAP were approved by the Council of Ministers.

May. French President, François Mitterrand, supported the idea of a Treaty on European Union in a speech to the EP.

12 June. Paris meeting of the seven Foreign Ministers of the WEU decide to reactivate the organisation.

14-17 June. Second set of direct elections to the EP. The Conservative Party won 45 seats, the Labour Party 32, while there were 4 others.

25-26 June. At the Fontainebleau European Council meeting an agreement was reached on the annual correction method from 1985 for the UK's budget rebate, as well as an increase in the resources of the Community from January 1986 by raising the VAT percentage from 1% to 1.4%. For 1984 the UK received a compensation lump-sum of 1000 million ECU and in subsequent years it was to receive two-thirds of the difference between what it paid in VAT and what it received from the Community. Member States also decided to establish an ad hoc committee on institutional affairs to examine amendments to the Treaty of Rome, under the chairmanship of the former Irish Foreign Minister, Jim Dooge.

September. First revision of the ECU weights and inclusion of the Greek drachma.

9 October. A non-preferential cooperation agreement was signed between the EEC and the Yemen Arab Republic.

26-27 October. WEU Foreign and Defence Ministers published the 'Rome Declaration' which demonstrated their decision to increase cooperation within the WEU.

4 December. At the Dublin European Council meeting agreement was reached on budgetary discipline and on reducing wine production.

8 December. The third Lomé Convention was signed between the EC and the 65 ACP Countries.

10. Enlargement III and single market, 1985-87

1985

1 January. European passports started to be introduced in Member States.

1 February. Greenland withdrew from the EC.

9 March. The Dooge Committee recommended the convening of an intergovernmental conference to examine the reform of the Treaty of Rome.

11 March. Mikhail Gorbachev was appointed First Secretary of the Communist Party of the Soviet Union.

29 March. Conclusion of enlargement negotiations with Portugal and Spain.

29-30 March. At the European Council meeting in Brussels agreement was reached on the Integrated Mediterranean Programmes.

22 April. WEU Foreign and Defence Ministers met in Bonn to review the reactivation of the organisation, as decided upon at their 1984 meetings in Paris and Rome.

29-30 April. Conclusion of bilateral agreement between Spain and Portugal.

8-9 June. Stresa paper suggested the creation of a secretariat for improving foreign policy coordination.

12 June. Signature of Portugal and Spain's Accession Treaties.

14 June. Schengen agreement. The Federal Republic of Germany, France, Belgium, Luxembourg and the Netherlands agreed on the gradual abolition of frontier controls.

15 June. Lord Cockfield presented his timetable for the internal market.

28-29 June. Milan European Council meeting approved the Commission's White Paper Completing the Internal Market. The meeting also established an intergovernmental conference to look at numerous issues as well as reform of the Treaty.

22 July. In the EMS the Belgian franc, Danish krone, Deutschmark, French franc, Irish pound and Dutch guilder were realigned by +2%, while the Italian lira was realigned by -6%.

September. Plaza Agreement between the USA, Japan, FRG, France and the UK on concerted intervention so as to correct the overvaluation of the dollar.

2-3 December. At a meeting of Heads of Government in Luxembourg of the European Council it was agreed to complete the internal market by 1992. Proposals for institutional reform were pared down to a minimum, with only a limited extension of majority voting and only a modest extension of the powers of the EP. In exchange the UK accepted that the objective of a free market by 1992 would require a revision of the Treaty of Rome and was prepared to go along with what appeared to be innocuous statements on eventual European unity and the development of the EMS.

16 December. Foreign Ministers' agreement on the reforms to the Treaty of Rome.

1986

1 January. Portugal and Spain joined the EC, thereby enlarging the membership to twelve nations.

17-18 February. The SEA was signed in Luxembourg by the representatives of the governments of Belgium, France, the FRG, Ireland, Luxembourg, the Netherlands, Portugal, Spain and the UK.

27 February. Danish referendum approved the Treaty reforms.

28 February. The SEA was signed in the Hague by representatives of the governments of Denmark, Greece and Italy.

12 March. In a Spanish referendum organised by Prime Minister Felipe González, voters supported the continuation of Spain's membership of the Atlantic Alliance, but without participating in NATO's integrated military structure.

20 March. The Centre Right party leader, Jacques Chirac, was elected Prime Minister in France after legislative elections. This meant that the country had a Socialist President, François Mitterrand, and a Conservative Prime Minister - a period referred to as cohabitation.

7 April. The Deutschmark and Dutch guilder were realigned in the EMS by +3%, the Belgian franc and Danish krone by +1%, and the French franc by -3%.

23 April. The SEA was given a second reading in the House of Commons and received a majority of 159 with only a handful of Conservative anti-marketeters teaming up with the Labour Party and voting against.

28 April. Venice meeting of WEU Foreign and Defence Ministers reviewed the revitalisation of the organisation.

1 May. The third ACP-EEC Convention entered into force.

May. The European Commission proposed to advance the deadline for the complete liberalisation of capital movements.

4 August. The Irish pound was devalued by 8% in the ERM.

15-20 September. Ministers of 92 countries agreed to a fresh round of multilateral trade negotiations in Punta del Este in Uruguay.

October. The ECU clearing system entered into operation.

31 December. All the members of the EC, except Ireland, had ratified the SEA.

December. Creation of the Giscard d'Estaing-Schmidt Committee for the Monetary Union of Europe.

1987

12 January. The Deutschmark and the Dutch guilder were realigned in the EMS by +3%, while the Belgian franc was realigned by +2%. This was the eleventh realignment of the EMS.

15 February. The European Commission presented its view for obtaining the objectives contained in the SEA in a document entitled 'The Single Act: A New Frontier for Europe'. This included proposals to double the structural funds, complete the reforms of CAP and to promote cohesion within the Community.

22 February. Louvre Accord among the Group of Seven countries to stabilise the US dollar.

14 April. Turkey applied to join the EC.

26 May. A referendum in Ireland allowed the ratification of the SEA to proceed.

May. Italy adopted measures to liberalise capital movements and abolish the non-interest bearing deposit against foreign investments.

8 June. Venice G7 summit opened.

11 June. Victory for Conservative Party in UK general election.

19 June. The Chancellor of the FRG, Helmut Kohl, proposed the formation of a joint Franco-German brigade as the first phase of a joint European force.

29-30 June. Brussels European Council meeting under the chairmanship of Belgian Premier Wilfried Martens.

1 July. The SEA came into effect after months of ratification problems in Ireland.

8 July. Morocco applied to join the EC.

20 August. WEU experts meeting in The Hague reviewed possible joint actions in the Gulf to protect regional oil shipping lanes.

12 September. Community Finance Ministers agreed to strengthen the EMS during a meeting in Nyborg, Denmark.

21 September. France and Italy proposed measures to promote the exchange of information and technical coordination between naval forces operating in the Gulf region for the protection of oil shipping lanes.

26 October. WEU meeting in The Hague coordinated military activities in the Gulf.

28 October. The Netherlands, acting as President of the WEU, presented the WEU 'Platform on European Security Interests' to the sixteen members of the North Atlantic Alliance, having been formally adopted on 27 October.

4-5 December. Copenhagen European Council meeting chaired by Danish (Conservative) Prime Minister Poul Schlutter.

11. Delorist expansion and reform, 1988-92

1988

January. The Single Administrative Document (SAD) came into operation.

January. A memorandum from Edouard Balladur summarised the necessary reforms of the EMS for the completion of the internal market.

11-13 February. Extraordinary Brussels Summit agreed that there would be an increase in structural funds from nearly £5 billion in 1988 to £9.17 billion in 1993. The UK Prime Minister, Margaret Thatcher, accepted a package deal where she achieved tight and binding controls on the rate of increase of CAP expenditure along with the continuation of the Fontainebleau rebate scheme. She did concede on the increase in funds available to the Community and the change in the method of financing the EEC budget, both of which would cost then UK more. Agreement was also reached on the doubling of regional and social funds by 1992.

March. Publication of the Giscard d'Estaing-Schmidt Committee's proposals for monetary union.

15 June. Cooperation agreements were signed between the EC and the Cooperation Council for Arab States of the Gulf.

27-28 June. An agreement was signed between the EC and Comecon that enabled the two organisations to recognise each other. The agreement included Comecon's recognition of the authority of the EC to negotiate on behalf of Member States.

27-28 June. European Council meeting in Hanover agreed to a proposal put forward by the President of the European Commission, Jacques Delors, for a new study on EMU. France and the FRG stressed the importance of the emergence of a single European currency as an essential complement to the freeing of the internal market. They argued that the EMS needed

to be strengthened through the creation of a European central bank along with steps to establish the ECU as the common currency of the Community.

8 September. Jacques Delors addressed the Trade Union Congress in Brighton.

20 September. Speech by Margaret Thatcher to the College of Europe in Bruges. She attacked the Commission for wanting to regulate the internal market as well as for wanting to centralise power in Brussels and also attacked the idea of common rules for the protection of workers as this regulation would result in an increase in the cost of employment. Her speech especially reflected concerns over federalism.

26 September. Trade, commercial and economic agreements were signed between the EC and Hungary.

24 October. The Council adopted the decision to establish the Court of First Instance.

14 November. Portugal and Spain signed the Treaty of Accession to the WEU.

8 December. A new European Commission was appointed.

1989

12 April. Publication of the Report of the Delors Committee proposing a three-stage process for EMU, namely linking the currencies together, integration between states and the creation of a European central bank. The UK Chancellor of the Exchequer, Nigel Lawson, immediately rejected these proposals and stated that the UK would be publishing its own proposals.

30 May. The Commission adopted the preliminary draft of the Community Charter of Fundamental Social Rights, being immediately challenged by the UK.

15-18 June. Third set of Elections to the EP. Labour received 45 MEPs, Conservative 32 (13 Labour gains), while the Greens received 13% of the vote.

19 June. The Spanish peseta entered the EMS at +/-6%.

26-27 June. At the Madrid meeting of the European Council Margaret Thatcher adopted a more conciliatory tone and made significant progress on the question of UK membership of the ERM by stating the conditions that would be necessary for membership. Her previous stance had been that the UK would join when the time was right. Thatcher accepted the implementation of the first stage of the Delors Report. However, at the meeting she still registered her disapproval of plans that would lead to a monetary union as well as the social policy side of the 1992 programme.

14-16 July. Paris Western Economic Summit asked the Commission to coordinate measures to assist economic restructuring in Hungary and Poland.

17 July. Austria applied to join the Community.

July. The Poland and Hungary Assistance for Economic Restructuring programme (PHARE) was established, and was thereafter extended in 1990 to include other East European states.

September. Collapse of Communist governments in Eastern Europe.

September. Trade and cooperation agreements were concluded between the EEC and Poland.

October. The Report of the Guigou Group identified the main issues which needed resolved regarding the attainment of a Treaty on Economic and Monetary Union.

9 November. Breaching of the Berlin Wall.

November. In an address to the EP, François Mitterrand, stated that the recent events in Eastern Europe reinforced the need for political unity as a way of creating stability throughout the whole of Europe.

19 November. Extraordinary meeting of the European Council in Paris.

29 November. The European Commission adopted the work programme for implementing the Social Charter.

8-9 December. At the Strasbourg European Council meeting, the UK Prime Minister, Margaret Thatcher, was forced to accept a majority decision to assemble an intergovernmental conference to draw up a Treaty on Monetary Union on the basis of the Delors Report. Eleven Member States (with the exception of the UK) also approved the 'Community Charter of the social basic laws of working people'.

10 December. End of Communist rule in Czechoslovakia.

15 December. Council of Finance ministers meeting approved the amendments to the second banking directive which allowed providers of financial services the right (in principle) to trade anywhere in the EC as long as they met minimum standards.

15 December. The Fourth Lomé Convention was signed between the EC and 69 ACP countries.

18 December. The EC and the USSR signed a ten year trade and Cooperation agreement.

19 December. Community and EFTA representatives agreed to commence formal negotiations to establish a closer cooperation agreement between both organisations.

December. A negative opinion was given on Turkey's application to join the EC.

21 December. The Council of Ministers adopted a Commission proposals concerning the control of mergers and acquisitions.

1990

8 January. The first realignment of the EMS took place since January 1987. The Italian lira was devalued by 3.68% against the Deutschmark, while the relative value of all other currencies remained virtually the same. Realignment had been decided on 5 January, taking effect on 8 January and it was the twelfth realignment since the creation of the EMS in March 1979. At the same time the Italian government reduced the margin from 6% to 2.25% either side of the central rate that the lira was allowed to fluctuate. This meant that all the

currencies in the ERM would limit fluctuations to 2.25%, except the Spanish peseta which had joined the ERM on 19 June 1989.

15-16 January. Meeting in Paris of experts from 34 countries along with the EC Commission and European Investment Bank to discuss the formation of a European Bank for Reconstruction and Development (EBRD). It was agreed that the new bank's capital should amount to 70,000 million ECU and that its objective should be to help to reinforce the competitive and private sector.

5 February. An Action Programme for the development of relations between the EC and the countries of Central and Eastern Europe was defined by the Council.

March. The Oslo Declaration was issued by EFTA states Heads of Government which confirmed their association with the EC.

2 April. Framework Agreement for Trade and Economic Cooperation with Argentina was signed in Luxembourg.

8 April. General elections in Greece.

19 April. Chancellor Kohl and President Mitterrand sent a joint letter to the Irish President of the Council, Charles Haughey, which urged that a second intergovernmental conference be convened which would accelerate the political construction of Europe. It would be in parallel with that of EMU.

27 April. EC Council of Agriculture Ministers reached agreement for the pricing of agricultural produce in the year starting 1 April 1990.

28 April. At a extraordinary meeting of the European Council in Dublin the decision was taken to ask foreign ministers to consider the progress of Political Union that was the result of the Kohl-Mitterrand letter. Margaret Thatcher spoke against the intergovernmental conference that Kohl and Mitterrand wanted.

7 May. Trade and cooperation agreement negotiations began between the EC and Romania having been suspended between 20 December 1989 and March 1990.

8 May. Trade, commercial and economic cooperation agreements were signed between the EC and Bulgaria, Czechoslovakia and the GDR, although the reunification of the FRG meant that the latter was never ratified.

18 May. State Treaty signed between the FRG and the GDR established a monetary, economic and social union.

29 May. The founding charter of the EBRD was signed in Paris at the Elysee Palace by representatives of 40 countries, the EC Commission and the European Investment Bank.

8 June. The Turnberry NATO Foreign Ministers meeting issued a 'Message from Turnberry' which noted their determination to grasp the opportunities resulting from the changes in Europe, and to extend friendship and cooperation to the Soviet Union and other European countries.

13 June. The European Commission adopted three proposals for Directives on atypical work.

19 June. The Schengen agreement was signed by Belgium, the Netherlands, Luxembourg, France and the FRG. It committed them to the abolition of all controls at internal borders, as well as passport control at airports for flights between the signatory countries.

25-26 June. European Council meeting in Dublin agreed to the establishment of a second intergovernmental conference that would concentrate on the political construction of Europe. The parallel IGC's would take place in Rome on 13-14 December 1990 so as to amend the Treaty of Rome in order to allow the introduction of political union and EMU by 1 January 1993.

29 June. Negotiating directives for agreement with EFTA countries on the establishment of a European Economic Space (EES) were issued by the Council.

1 July. Stage I of EMU formally began. This meant that limited monetary functions and the technical preparations for the Monetary Institute were carried out by the Committee of Central Bank Governors. The German Union Treaty also entered into force.

1 July. German monetary union.

4 July. Cyprus applied to join the EC.

6 July. NATO Summit in London produced the London Summit Declaration on a Transformed North Atlantic Alliance. Major steps were announced to bring East-West confrontation to an end, including a fundamental review of NATO strategy and arms control initiatives.

12 July. The Greek government announced its intention to join the ERM in 1993 if fiscal measures had been successfully implemented.

16 July. Malta applied to join the EC.

25 July. The European Commission adopted a proposal for a Directive on certain aspects of the adoption of working time.

2 August. Iraq invaded Kuwait.

8 August. EC adopted measures instituting an embargo on trade with Iraq.

21 August. Jacques Delors made public an EC Commission internal document containing official proposals for EMU prepared in consideration of the forthcoming December IGC in Rome. It recommended that the second stage of progress towards EMU, as previously noted in the 1989 Delors Plan, should commence on 1 January 1993 and the time period should be as short as possible. It also stated that the proposed European Central Bank (ECB), Eurofed, should be independent of national governments as well as EC authorities along with having a democratic responsibility.

27 August. The European Commission specified in a communication the objectives and contents of Association Agreements to be negotiated with the countries of Central and Eastern Europe.

8 September. The Rome meeting of the EC Council of Finance Ministers failed to reach a consensus on the pace of European integration. Belgium, Denmark, France and Italy supported a fast-track approach as highlighted in the April 1989 Delors Plan which would result in Stage 2 of EMU starting on 1 January 1993. The Netherlands, the FRG and the UK favoured a slower pace of integration.

12 September. Two-Plus-Four Treaty on the Final Settlement with respect to the FRG.

19 September. The President of the Bundesbank, Karl Otto Pöhl, outlined tight requirements for economic and monetary union which helped to deepen divisions in the West German government over EMU.

3 October. Incorporation of the former GDR into the FRG as three separate Länder. Therefore, the unification of the FRG brought the former GDR into the EC.

5 October. The UK announced that it would join the ERM as of 8 October at a central rate against the Deutschmark of 2.95. The pound was allowed to float at 6% either side of its central parity (same rate as the Spanish peseta). It was expected that the Pound would move to the narrower band of 2.25% as soon as possible. Only Portugal and Greece now remained outside the ERM. Pressure from senior Cabinet members Douglas Hurd and John Major had forced Margaret Thatcher to join the ERM. Some commentators thought the value of the pound was set too high, with interest rates maintained at a high level so as to convince people to buy pounds.

8 October. Entry of pound sterling into ERM at +/-6% band.

19 October. Norway tied its currency to the ECU.

22 October. General Affairs Council at which a trade and economic cooperation agreement was signed with Romania.

27-28 October. Extraordinary summit held in Rome to decide the date for the opening of stage II of Monetary Union before the December IGC began. Eventually 1 January 1994 was the date that was opted for after a long period of German indecision. The outcome of the vote for the date of stage II was eleven to one and Thatcher was annoyed with the result being the only dissenting voice.

29 October. The European Council strengthened the embargo against Iraq.

7 November. The Commission proposed directives to the Council to authorise it to negotiate Association or European Agreements with Czechoslovakia, Hungary and Poland.

13 November. EC Central bank Governors agreed draft statutes to the proposed European Central Bank.

November. The Conference of Parliaments of the Community or Assizes met in Rome. This was a forum that was promoted by the EP to involve national parliaments in Community discussions. It was attended by 250 parliamentarians of which two-thirds were from national parliaments and one-third MEPs.

November. Karl Otto Pöhl, President of the Bundesbank, criticised the UK government's economic policy in a speech at the London School of Economics

19 November. Finance Council meeting. Discussion on Investment Services Directive, though no final decision.

19-21 November. Paris Summit of Conference on Security and Cooperation in Europe at which 34 Heads of State or Government signed a Charter for a New Europe.

23 November. Release of the Transatlantic Declaration on EC-USA relations.

26 November. Social Affairs Council. Ministers rejected the legal basis of the proposed Commission Directive on part-time work.

27 November. John Major won the Conservative Party leadership election.

27 November. Italy became the sixth EC country to sign the Schengen agreement, while Portugal and Spain joined the system as observers.

28 November. John Major became UK Prime Minister, Margaret Thatcher having resigned.

28 November. The European Commission issued a review of the Common Fisheries Policy.

2 December. First free all-German elections.

2 December. Milan Informal Finance Council. EC Central Bankers presented Ministers draft statutes for Eurofed.

5 December. The European Council adopted proposal for Directive on European works councils in companies or groups of companies operating Community-wide.

14-15 December. Rome European Council meeting established a broad framework for negotiations by the intergovernmental conference.

15 December. Opening of intergovernmental conferences on EMU and political union.

19 December. Employment Council meeting in Brussels. Ministers accepted the proposal to grant part-time and temporary workers the same health and safety conditions as full-time workers. However they blocked other complementary proposals from the Social Action Programme.

19 December. EC-EFTA Foreign Ministers meeting in Brussels focused on the establishment of the EEA.

19-20 December. Fisheries Council meeting in Brussels reached agreement on 1991 TACs, but postponed a decision on technical conservation matters.

20 December. Foreign Ministers from the Rio Group of Latin American countries and the EC signed the 'Declaration of Rome' which aimed to develop closer economic and political links.

1991

4 January. EC Foreign Ministers held an emergency meeting to discuss the Gulf crisis and sought to meet the Iraqi Foreign Minister in Luxembourg.

5 January. CMEA nations agreed to disband the organisation, with it to be replaced by the Organisation for International Economic Cooperation (OIEC).

8 January. UK Chancellor, Norman Lamont announced proposals for a new currency, the hard ecu, which would be created and managed by a European Monetary Fund. The hard ecu would float alongside existing currencies in the ERM of the EMS.

14 January. EC Foreign Ministers held an emergency meeting in Brussels to discuss the Gulf crisis and the Soviet attack on a Lithuanian television centre.

17 January. The beginning of hostilities in the Gulf War was signalled by Air Strikes. John Major created a war cabinet of himself, Hurd, King, Wakeham and Mayhew.

17 January. Emergency EC Foreign Ministers and WEU meeting in Paris to discuss the outbreak of hostilities in the Gulf.

22 January. Brussels Agriculture Council meeting at which the Commission presented its proposals for a reform of the CAP.

28 January. The EC agreed a £1.7bn loan to Greece.

15 February. Czechoslovakia, Hungary and Poland signed the Visegrad Declaration.

16-17 February. EC Troika mission to the Soviet Union discussed EC aid to the Soviet Union and post-war Middle East policy.

21 February. Czechoslovakia joined the Council of Europe.

24 February. Land hostilities start in the Gulf War, with victory by 28 February.

28 February. End of Gulf War hostilities.

7 March. In a speech at the Institute of Strategic Studies in London, Jacques Delors proposed that the EC went beyond establishing a joint foreign and security policy and commit itself to a common European Defence Policy.

11 March. At a summit with Helmut Kohl in Bonn, John Major said that the UK would play a role 'at the very heart of Europe' which contrasted with views expressed by Thatcher at Bruges in October 1988, which highlighted her desire to impose limits on European integration.

19 March. The President of the Bundesbank, Karl Otto Pöhl, suggested that there might have to be a two-speed progression towards EMU, in his evidence to the EP's Committee of Economic and Monetary Affairs.

15 April. Inauguration of the European Bank for Reconstruction and Development.

16 May. Start of civil war in Yugoslavia due to ethnic and political tensions.

16 May. Karl Otto Pöhl resigned as President of the Bundesbank.

25 June. Croatia and Slovenia declared themselves to be independent of Croatia.

28-29 June. EC Heads of State and Government Summit in Luxembourg to take stock of progress on EMU and EPU. The summit discussed a draft treaty put forward by Luxembourg but postponed any decisions on contentious issues until the December 1991 EC summit in Maastricht.

1 July. Sweden applied for membership of the EC.

1 July. Andorra joined the customs union, but does not participate in any other EC institutions.

1 July. The Warsaw Treaty Organisation was disbanded.

25 July. The European Court of Justice overturned a UK Act of Parliament in a dispute over Spanish trawlers fishing in UK waters.

6 August. Emergency EC Foreign Ministers meeting in The Hague to discuss tensions between Serbia and Croatia.

19 August. President Gorbachev was overthrown in the USSR.

27 August. Brussels EC Foreign Ministers meeting reached agreement on the recognition of the independence of the Baltic Republics, and discussed the Yugoslav crisis.

2 September. EC-sponsored cease-fire signed in Belgrade.

3 September. EC Foreign Ministers meeting in The Hague. Lord Carrington was appointed Chair of the Peace Conference of the former Yugoslavia.

10 October. The EP voted to increase the number of German MEPs from 81 to 99 in order to take account of unification.

7-8 November. Rome NATO Ministerial meeting discussed the future relationship between NATO, EC and the WEU. Rome Declaration on Peace and Cooperation issued.

8 November. The EC formally imposed sanctions on Yugoslavia.

9-10 December. The Dutch Prime Minister, Ruud Lubbers, opened the European Council meeting in Maastricht on 9 December. The summit ended with agreement early on 11 December on a framework Treaty on European Union (TEU), incorporating EPU and EMU agreements. It also set a timetable for their implementation and provided for a new security and defence dimension to EC cooperation. The UK Prime Minister, John Major, won an opt-out for the UK from Stage three of EMU. The UK also rejected the Social Chapter, which the eleven other members of the Community signed.

16 December. General Affairs Council at which 'Europe Agreements' were signed with Czechoslovakia, Hungary and Poland.

20 December. Inaugural meeting of North Atlantic Cooperation Council. Foreign Ministers and representatives from the sixteen NATO countries participated, as well as six Central and Eastern European countries and three newly independent Baltic States.

23 December. Russia succeeded the Soviet Union as a member of the United Nations Security Council.

25 December. Mikhail Gorbachev resigned as President of the Soviet Union.

9 April. Decision of French Constitutional Council requiring revision of the French Constitution in conjunction with the ratification of the TEU.

9 April. Victory for Conservative Party in UK general election.

2 May. The European Economic Area was signed in Portugal.

11 May. Three Baltic states, and Albania, signed a 10-year trade and cooperation agreement with the EC.

11 May. The UK rejected the demands of the European Commission to abandon its border controls and insisted on its rights to maintain passport controls.

11-12 May. Brussels General Affairs Council resulted in the EC recalling its Ambassadors from Belgrade.

12 May. The Danish Folketing approved the Treaty of Maastricht by 130 votes to 25. Danish ratification was, however, subject to a popular vote under the constitution.

20 May. Switzerland presented its official application for accession to the EC.

20-21 May. The European Communities (Amendment) Bill passed the second reading debate in the House of Commons by 336 to 92.

22 May. France and the FRG announced the creation of a joint military corps based in Strasbourg so as to provide the EC with its own military capacity. It would comprise two divisions, 35,000 strong.

27 May. The EC decided to re-impose sanctions against Serbia.

2 June. Danish referendum on the TEU resulted in a no vote by 50.7% to 49.3% of votes cast, a margin of only 46,269 votes. The turnout was 82.3%.

4 June. NATO Foreign Ministers stated their readiness to support peace-keeping activities under the CSCE on a case by case basis at a meeting in Oslo.

5 June. Albania became a participant of the North Atlantic Cooperation Council and Finland an observer at the Oslo meeting of the NAAC.

18 June. An Irish referendum supported the Maastricht Treaty by 68.7% to 31.3%.

19 June. Meeting of the Foreign and Defence Ministers of the WEU in Petersberg, near Bonn, with their opposite members from Bulgaria, the Czech and Slovak Federal Republic, Estonia, Hungary, Latvia, Lithuania, Poland and Romania. The Petersberg Declaration stated that the process of integration between the WEU and central and eastern European countries would follow the same path taken between those countries and the EU.

23 June. In a meeting at the Congress of Versailles the French National Assembly and the Senate adopted the amendments to the Constitution that allowed the French constitution to ratify the Maastricht Treaty by 592 to 73.

26-27 June. The EU Lisbon Summit concerned itself with events in Yugoslavia and the enlargement of the Community. Jacques Delors was reappointed President of the European Commission until 31 December 1994.

29 June. Political agreement at the Ecofin Council was reached on the principle of the harmonisation of VAT and of excise duty rates.

1 July. Decision of the Spanish Constitutional Court requiring revision of the Constitution with regard to the ratification of the TEU.

2 July. The Chamber of Deputies in Luxembourg voted in favour of the TEU by 51 to 6.

9 July. The EP regretted the lack of 'real' consultation on the appointment of the President of the Commission. However, by 276 votes to 10 it endorsed the Lisbon Summit's appointment of Jacques Delors.

10 July. At the Helsinki Foreign Ministers meeting of the WEU the decision was taken to send an air-sea force on a sanctions patrol against Serbia which was the first WEU action in Europe.

17 July. The Belgian Chamber of Deputies approved the Treaty of Maastricht by 143 votes to 33, with 3 abstentions. All the major parties voted in favour.

22 July. The Spanish Congress of Deputies (lower House of Parliament) approved a constitutional change to allow ratification of the Maastricht Treaty. The Senate (upper House) approved the amendment on 30 July. This was the first amendment since the adoption of the Constitution in 1978 and it allowed EU citizens to stand in municipal elections. The Constitutional tribunal ruled on 1 July that such a change was necessary and could be approved by a three-fifths majority in both Houses of Parliament.

1 August. The TEU was adopted by the Greek Parliament by 286 to 8 with all the main parliamentary parties supporting the Treaty with only a few Communists voting against it.

24 August. Luxembourg deposited its instrument of ratification of the Maastricht Treaty.

25 August. International Conference on the former Yugoslavia opened in London. Lord Owen was appointed chairman of the EC-sponsored peace conference after the resignation of Lord Carrington.

4-6 September. Informal meeting of the EC Finance Ministers in Bath. It subsequently emerged that the UK Presidency did not pick up on the suggestion that a realignment of the ERM could be considered.

8 September. The Finish government in a joint decision with the Bank of Finland let the markka float freely and, therefore, abandoned its self-imposed peg to the ECU. This position resulted in an immediate 15% drop in value of the markka.

8-9 September. Sweden raised its marginal intervention rate from 16% to 75%.

14 September. The Belgian franc, Deutschmark, Dutch guilder, Danish krone, Portuguese escudo, French franc, Irish pound, Spanish peseta and UK sterling were realigned in the EMS by +3.5%. The Italian lira was realigned by -3.5%, effectively representing a 7% devaluation of the lira. This was the first major realignment within the EMS since 1987.

14 September. The Bundesbank cut its Lombard rate from 9.75% to 9.5% and its discount rate from 8.75% to 8.25%. Furthermore, rates were also cut in Austria, Belgium, the Netherlands, Switzerland and Sweden - currencies that were most closely linked with the deutschmark.

16 September. Pressure on the pound increased and the minimum lending rate was increased from 10% to 12%. Due to the continuing turbulence it was announced that the base rate would rise further to 15% the next day. At the close of business in London the pound stood at DM 2.75. The worsening situation meant that the Chancellor, Norman Lamont, announced that the UK would pull out of the ERM and that the second interest rate increase would not take place. These events were referred to as 'Black Wednesday.'

17 September. The Swedish Central Bank raised the marginal interest rate to 500% in an effort to protect the krona and stop the outflow of capital.

17 September. The EC's Monetary Committee agreed to the temporary suspension of the Italian lira and UK sterling from the ERM. The peseta was devalued by 5% and the UK cut its base rate to 10%.

17 September. The TEU was approved by the Italian Senate by 176 votes to 16.

20 September. The TEU was narrowly passed in France by 51.04% to 48.95% in a public referendum.

23 September. The French and German government's intervened heavily on the exchange markets in a successful defence of the French franc. Spain reintroduced foreign exchange controls.

24 September. Ireland and Portugal introduced new foreign exchange controls.

24-25 September. The House of Commons was recalled to debate the sterling crisis with a vote of 322 to 296 in favour of a motion supporting the government's economic policy.

25 September. The German Bundesrat opened its debate on the TEU.

1 October. The UK government, after tense Cabinet discussions, announced its desire to ratify the TEU and to bring the bill back to Parliament in December, or early in the new year.

8 October. The German Bundestag opened its debate on the TEU.

16 October. An extraordinary meeting of the European Council was convened in Birmingham in an attempt to iron out the problems that existed with the ERM. The meeting was also intended as a means of defining a suitable stance for Denmark and the UK so that their governments position could be made easier through a declaration on subsidiarity. In the end all decisions were deferred to the Edinburgh European Council meeting.

22 October. The TEU was approved by the Belgian Council of the French-speaking Community.

27 October. In Denmark 7 of 8 Parliamentary parties reached a "national compromise" on additions to the Maastricht Treaty on the basis of which they would support a second referendum in 1993.

27 October. The European Commission produced its influential report on the application of the principle of subsidiarity.

29 October. The Spanish Chamber of Deputies approved the TEU by 314 votes to 3, with 8 abstentions.

29 October. The Italian Chamber of Deputies approved the Treaty of Maastricht by 403 votes to 46.

3 November. Greece deposited its instrument of ratification of the Treaty of Maastricht.

4 November. In a debate on the TEU in the House of Commons the government won the paving debate allowing the Bill to proceed into the committee stage by 319 votes to 316. While 19 Liberal Democrats voted with the government, 26 Conservatives voted against it along with Labour MPs. There were 7 deliberate Conservative abstentions. Without Liberal Democrat votes the government would have lost the vote despite the fact that the government commanded a 21 seat overall majority in the House of Commons.

4 November. France deposited its instrument of ratification of the TEU.

4 November. The Belgian Senate approved the TEU by 115 to 26 with 1 abstention.

5 November. First EC cooperation agreement with a state of the former Yugoslavia was signed with Slovenia.

5 November. The Irish government lost a vote of confidence in the Dail and was forced to resign and call a general election.

12 November. The Netherlands Chamber of Deputies approved the Maastricht Treaty by 137 votes to 13.

17 November. The Portuguese Assembly passed the necessary amendments to the Constitution by 196 votes to 20.

18 November. The Swedish Parliament voted to ratify the European Economic Area agreement between the EC and EFTA states.

19 November. Sweden abandoned the pegging of its currency to the ECU after intense currency speculation.

20 November. Greece joined the WEU.

23 November. The TEU was approved by the Belgian Council of the German-speaking Community.

23 November. Ireland deposited its instrument of ratification of the Maastricht Treaty.

23 November. Spanish peseta and Portuguese escudo were realigned in the EMS by -6%.

25 November. The Spanish Senate approved the TEU by 222 votes to 0, with 3 abstentions.

25 November. Norway finally applied to join the EC.

25 November. In the Irish general election the Labour Party held the balance of power in the Dail.

1 December. At the House of Commons Committee Stage MPs started 23 days of debating the Bill in committee on the floor of the House. Over 500 amendments to the three-clause Bill were proposed.

2 December. German Bundestag assented to the TEU by 543 votes to 17.

5 December. Italy deposited its instrument of ratification of the TEU.

6 December. The Swiss population voted not to ratify the EEA by 50.3% to 49.7% in a referendum.

10 December. Portuguese Assembly of the Republic approved the TEU by 200 votes to 21.

10 December. Belgium deposited its instrument of ratification of the TEU.

10 December. Following currency speculation, Norway abandoned the pegging of its currency to the ECU.

11-12 December. Edinburgh European Council meeting. Agreement was reached on several important issues, including: Danish opt-outs from the TEU; the clarification of subsidiarity and transparency; the Delors II financial package; and the opening of accession negotiations in early 1993 with Austria, Finland and Sweden and, and with Norway later in 1993. The Council also agreed the number of seats for each Member State in the EP in order to take account of German unification and the prospect of future enlargement. The distribution of seats was as follows (previous numbers in brackets): Belgium 25(24); Denmark 16(16); the FRG 99(81); Greece 25(24); Spain 64(60); France 87(81); Ireland 15(15); Italy 87(81); Luxembourg 6(6); Netherlands 31(25); Portugal 25(24); UK 87(81). The agreement reached

at Edinburgh saved the process of European integration after it had been stalled since June 1992 due to the Danish 'no' vote in a referendum.

13 December. Liechtenstein voted in favour of ratifying the European Economic Area agreement in a referendum.

15 December. The Netherlands Senate approved the TEU *nemine contradicente*.

17 December. The Council and EP reached agreement on the budget for 1993, which was formally adopted.

18 December. The German Bundesrat unanimously passed the TEU.

28 December. The Netherlands deposited its instrument of ratification of the TEU.

31 December. Spain deposited its instrument of ratification of the TEU.

12. Enlargement IV and reform, 1993-97

1993

1 January. The Single European Market entered into force, implementing the SEA that had originally been drawn up in 1985 and implemented in mid 1987. This meant that there would be free movement of goods, services, capital and people throughout all the Member States of the EC.

1 January. Czechoslovakia separated into two new independent states, the Czech Republic and the Slovak Republic.

21 January. Cooperation agreement signed by NATO and Franco-German Eurocorps.

25 January. A new Danish Government entered office, led by the Social Democrat Poul Nyrup Rasmussen.

1 February. The EC opened negotiations in Brussels for EFTA states to join the Community.

1 February. The EC signed a Europe Agreement with Romania.

1* February. The Irish Pound was realigned in the EMS by -10%.

3 February. The UK government announced a review of its defence cuts and four infantry regiments that were previously threatened with merger were saved.

4 February. The German Bundesbank unexpectedly lowered its discount and Lombard rates due to pressure on the ERM. The discount rate was reduced from 8.25% (which it had stood at since September 1992) to 8%, while the Lombard rate was reduced from 9.5% to 9%.

16 February. The new European Commission was sworn into office at Parliament in Luxembourg.

16 February. Portugal deposited its instrument of ratification of the Maastricht Treaty.

8 March. The UK Government was defeated on a Labour amendment to the Maastricht Bill concerning membership of the Council of Regions.

8 March. Brussels General Affairs Council resulted in the EC signed a Europe Agreement with Bulgaria.

21 March. The ruling French Socialist Party was defeated by the right-wing RPR-UDF alliance in the first round of legislative elections.

29 March. In France Edouard Balladur was appointed Prime Minister after the RPR-UDF won the legislative elections.

30 March. The TEU was approved by the Danish Parliament by 154 votes to 16.

5-6 April. Luxembourg General Affairs Council resulted in the opening of accession negotiations with Norway.

22 April. The Italian government resigned.

28 April. It was announced that Carlo Campi would lead a new Italian coalition government.

14 May. Spanish peseta was realigned in the EMS by -8% and Portuguese escudo by -6.5%.

18 May. In Denmark 56.7% voted 'yes' in the second TEU referendum on a turnout of 86.2%. Approval took place after an agreement had been reached allowing Denmark to opt-out of participation in the final stages of EMU and a the common defence policy.

20 May. The House of Commons gave a third reading to the Maastricht Treaty Bill and the Government secured a majority by 292 votes to 112.

24-27 May. The European Agriculture Council adopted 1993-94 farm prices.

17 June. Denmark deposited its instrument of ratification of the TEU.

21-22 June. Copenhagen European Council meeting produced agreement on the target date of 1 January 1995 for EC membership for Austria, Finland, Norway, and Sweden. The summit was dominated by the situation in Yugoslavia and by attempts to work out a concerted policy for unemployment and recession.

30 June. Negative opinion given on Malta's application to join the EC. Rejection of Cyprus' application to join the EC.

2 August. The UK government formally ratified the TEU in Rome.

2 August. The ERM of the EMS effectively collapsed and agreement was reached to allow currencies to fluctuate within a broad band of 15% either side of their central rates, rather than the 2.25% band for strong currencies or the 6% for the Spanish and Portuguese currencies.

18 August. Jacques de Larosière was appointed the new head of the European Bank for Reconstruction and Development.

1 September. The European Commission implemented the Community Charter of the Fundamental Social Rights of Workers and adopted an opinion on equitable wage.

2 September. The UK deposited its instrument of ratification of the TEU.

4 October. The EU signed Europe Agreements with the Czech and Slovak Republics.

11 October. Andreas Papandreou's Pan Hellenic Society Movement (Pasok) was returned to power after elections in Greece.

12 October. The German Constitutional Court found against a challenge that was intended to stop the German President ratifying the TEU. The challenge included the Liberal

politician Manfred Brunner, who was also *chef de cabinet* of the European Commission Vice-President Martin Bangemann - until he was sacked.

12 October. The Federal Republic of Germany deposited its instrument of ratification of the TEU.

18 October. The nine Schengen states decided to postpone the removal of passport checks at airports from 1 December 1993 to 1 February 1994. This was due to problems with the Schengen information system.

29 October. Extraordinary European Council meeting in Brussels. The first steps were taken in the direction of a common foreign policy by requesting the Council to define the conditions and procedures for joint action with regard to the situation in Central and Eastern Europe, Middle East, South Africa, Russia and the former Yugoslavia. Frankfurt was chosen as the seat of the European Central Bank, as well as the European Monetary Institute which was to be established at the start of Stage two of EMU.

1 November. The EC formally became the European Union (EU) due to the TEU.

8-9 November. Brussels General Affairs Council decided to rename the Council of Ministers as the Council of the EU.

17 November. The Commission of the European Communities decided to call itself the European Commission.

18 November. The European Commission launched the Green Paper on European Social Policy - options for the Union.

22 November. The European Council adopted a series of decisions and regulations on secondary legislation necessary for Stage II of economic and monetary union.

23 November. Brussels Labour and Social Affairs Council adopted the Organisation of Working Time Directive.

29 November. The EU interior and justice ministers met for the first time in Brussels as part of the third pillar of the EU (coordinating justice and home affairs) and, therefore, replaced the Trevi Group.

5 December. The European Commission adopted the White Paper on growth, competitiveness and employment - the challenges and ways forward into the 21st century.

6-7 December. Brussels General Affairs Council adopted the directive on the right to vote and stand in EP elections. The directive, implementing Article 8b.2 of the amended Treaty of Rome, gave EC nationals residing in other Member States the right to vote, and to stand as a candidate in EP elections. The Foreign Affairs Council also agreed on the necessary standards for public access to Council and Commission documents.

10-11 December. European Council summit in Brussels. The meeting was primarily concerned with the European Commission's White Paper on growth, competitiveness and employment.

13 December. The European Council adopted three Regulations in preparation for the start of Stage II of EMU on 1 January. Alexander Lamfalussy was appointed Chairman of the European Monetary Institute.

16 December. Five EU states announced that they would give full diplomatic recognition to the Former Yugoslav Republic of Macedonia, namely Denmark, France, Germany, the Netherlands and the UK.

1994

1 January. Stage two of EMU began and the European Monetary Institute was established in Frankfurt as a precursor to a European central bank. Stage one of EMU had come into effect in July 1990. Stage two was implemented according to the timetable which had been set out in the TEU. This was despite the setback suffered by the EMS when the ERM collapsed in August 1993.

1 January. The agreement establishing the European Economic Area entered into force.

10-11 January. Brussels NATO Summit discussed the organisation's future role, and its relationship to countries in Eastern and Central Europe.

16 January. The Italian President dissolved parliament and called a general election for 27 March.

1 February. Association agreements between the EU and Poland and Hungary, which had been signed in December 1991, came into effect.

7 February. EU Foreign Ministers backed the use of NATO air power if necessary to lift the Bosnian Serb siege of Sarajevo.

9 February. NATO agreed to the United Nations (UN) request to authorise air strikes in the former Yugoslavia. A 20 km total exclusion zone was declared around Sarajevo and the Bosnian Serbs were required to withdraw their heavy weapons from the zone or place them under UN control within 10 days.

21-22 February. EU Foreign Ministers met in Brussels with their counterparts from Austria, Finland, Norway and Sweden to discuss enlargement negotiations.

1 March. Austria, Finland and Sweden agreed terms to join the EU.

3 March. The House of Lords ruled that certain aspects of UK employment protection legislation relating to statutory redundancy payments and unfair dismissal were in conflict

with EU directives of 1975 and 1976. This was because they discriminated against part-time workers.

15 March. Breakdown of negotiations in Brussels over the size of the blocking minority due to the UK's reluctance to allow an increase from 3 countries and 23 votes for a blocking vote to 4 countries and 27 votes.

26-27 March. Ioannina informal General Affairs Council meeting in Greece. The UK Prime Minister, John Major, told the House of Commons on 29 March that at the meeting a compromise had been reached and that the blocking minority would be increased to 27 votes, but with the ability for the existing 23-vote minority to create a delay in the implementation of EU legislation.

28 March. The right-wing Freedom Alliance, comprising Forza Italia, the National Alliance and the Northern League, won the Italian general election. They had a clear majority in the lower house of parliament.

30 March. Conclusion in Brussels of accession negotiations with Austria, Sweden, Finland and Norway.

1 April. Hungary was the first former Communist state to apply for membership of the EU.

8 April. Poland applied for membership of the EU.

8-9 April. Informal meeting of the EU Finance Ministers and Central Bank Governors in Athens. The Central Bank Governors opposed a return to the narrow 2.25% and 6% currency fluctuation bands within the ERM. These bands had been widened to 15% in August 1993 due to the currency speculation in that month.

11 April. NATO planes bombed Bosnian Serb armoured vehicles in a response to the resumption of the shelling of Gorazde.

21 April. Abel Matutes the Spanish member of the European Commission responsible for Energy and Transport since 1993, stepped down and was replaced by Marcelino Oreja, a former Spanish Foreign Affairs Minister, on 28 April.

22 April. NATO authorised the use of air strikes against Bosnian Serb heavy weapons within the 20 km exclusion zone around Gorazde unless certain conditions were met. These were an immediate cease-fire; the retreat of Bosnian Serb forces by 3 km from the centre of Gorazde; and the permission of humanitarian convoys and medical evacuations.

Furthermore, NATO also authorised the use of air strikes against the Bosnian Serbs in the event of attacks against any UN safe area, or if the Bosnian Serb heavy weapons entered the 20 km exclusion zones around these areas.

26 April. First meeting of the 'Contact Group' on the former Yugoslavia was held in London. The group comprised representatives of the UK, Russia, France, Germany and the USA. The purpose of the group was to act as a vehicle to present a united front to the warring parties. It concentrated on securing an agreement on a territorial allocation as the first step to a political settlement. As part of this process it produced a map for the various parties to consider.

28 April. The Italian President asked the leader of the right-wing Freedom Alliance, Silvio Berlusconi, to form a government.

3 May. The coalition government in the Netherlands lost its Parliamentary majority in a general election resulting in the resignation of the Prime Minister, Ruud Lubbers.

4 May. The EP approved agreements providing for Austria, Finland, Norway and Sweden to join the EU.

9 May. Bulgaria, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, the Czech Republic and the Slovak Republic became associate members of the WEU.

11 May. Swearing in of the Italian government led by Silvio Berlusconi.

11 May. The Vienna Agreement between Bosnians and Croats established the Bosnian/Croat Federation at 58% of Bosnian territory. The agreement divided the Federation into eight cantons and determined the composition of the federal government.

13 May. Meeting in Geneva of the Foreign Ministers of Britain, France, Russia, the USA, the EU Troika, the Vice-President of the European Commission, with regard to the situation in the former Yugoslavia. The meeting called for a four-month cessation of hostilities and requested negotiations to commence within two weeks, under the aegis of the Contact Group. The basis of the negotiations was to be a territorial division of 51% for the Bosnian Federation and 49% for the Bosnian Serbs.

16 May. EU Council of Ministers approved the four accession treaties, which also required approval by all 12 EU Member States' parliaments.

12 June. European Elections were held in Belgium, Germany, Spain, France, Italy, Luxembourg and Portugal.

12 June. In a referendum in Austria the majority of the population was in favour of accession to the EU.

24 June. The Prime Ministers of Austria, Finland, Norway and Sweden each signed their country's treaties of accession to the EU.

24-25 June. The Corfu European Council meeting was dominated by the failure of the Heads of State and Government to appoint a President of the European Commission. The UK Prime Minister, John Major, vetoed the candidacy of the Belgian Prime Minister Jean-Luc Dehaene due to his 'interventionist tendencies', while it was also clear that the UK was not prepared to accept a candidate that had emanated from a Franco-German proposal.

12 July. Ruling by the German Constitutional Court that German forces could take part in armed missions outside the NATO area. The provision was that on each occasion the decision had to be subject to parliamentary approval.

15 July. Extraordinary meeting of the European Council in Brussels agreed on the selection of Jacques Santer to succeed Jacques Delors as President of the European Commission for a five-year term from January 1995. Santer had been Prime Minister of Luxembourg since 1984. Santer was a compromise candidate following John Major's veto of the Belgian Prime Minister Jean-Luc Dehaene at the June Corfu European Council meeting.

19 July. The German Socialist, Klaus Hansch, was elected president of the new EP.

26 July. Jacques Santer's nomination as President of the European Commission was confirmed by a Council decision.

27 July. The European Commission adopted the White Paper on European Social Policy.

4 August. President Milosevic announced the decision to sever political and economic ties with the Bosnian Serbs because of their rejection of the peace plan.

1 September. The German Christian Democrats (CDU/CSU) published a discussion paper entitled "Reflections on European Policy." The document envisaged a core Europe of all the original members except Italy, who would advance at a faster pace towards European integration. The document suggested that proceeding on the basis of variable geometry was wise as not every state could take every step in unison.

1 September. Dr Jürgen Trumpf was appointed the Secretary General of the Council of Ministers.

8 September. UK, French and American troops withdrew from Berlin after 49 years.

18 September. In Sweden the Social Democratic Party won the general election without a majority.

19 September. Meeting of EU Finance and Economy Ministers in Brussels found that the budget deficits of all the EU Member States, except Ireland and Luxembourg, were excessive when judged by the economic convergence criteria set out in the Maastricht Treaty as a prerequisite for EMU.

21 September. In the Danish general election the Social Democratic led coalition lost its majority, but retained power with the help of the Socialist and Communist parties.

22 September. The European Council adopted the Directive on the establishment of European Works Council's or procedure in Community-scale undertakings for the purposes of informing and consulting employees. This was the first measure adopted by the 11 Member States under the Social Policy Protocol.

16 October. A referendum in Finland approved its accession to the EU.

16 October. The three-party centre-right coalition won a fourth term of office in the German general election. The coalition, led by Chancellor Kohl, had been in power since 1982.

13 November. A referendum in Sweden approved its accession to the EU.

14 November. A meeting of the WEU's defence and foreign ministers in Noordwijk approved the appointment of José Cutileiro, a Portuguese diplomat, to succeed Willem van Eekelen as Secretary-General of the WEU.

15 November. First meeting in Frankfurt of the European Monetary Institute Council.

15 November. Helmut Kohl was re-elected by the Bundestag as German Chancellor by only one vote more than the absolute majority required.

17 November. Albert Reynolds, the Irish Prime Minister, resigned after the Labour Party withdrew from the coalition government.

18 November. At a meeting in Chartres, west of Paris, the French President François Mitterrand and UK Prime Minister John Major, unveiled plans for a joint military airborne command with a permanent headquarters and multinational staff.

28 November. A referendum in Norway rejected accession to the EU.

28-29 November. Brussels General Affairs Council.

4 December. Austria announced its decision to join the EMS on its accession to the EU, as well as its desire to join the ERM as soon as possible thereafter.

9-10 December. European Council summit meeting in Essen. The meeting established the approach for continuing and strengthening the strategy of the White Paper on growth, competitiveness and employment. Special reference was given to measures to combat unemployment and to bring the trans-European networks into operation.

14 December. The EP gave its assent to the Final Act of the Uruguay Round.

22 December. Silvio Berlusconi resigned as Prime Minister of Italy after his coalition government collapsed after an investigation into his business affairs.

22 December. The Schengen Group reached agreement on the abolishment of frontier controls on 26 March 1995.

1995

1 January. Austria, Finland and Sweden joined the EU on the basis of the terms settled in March 1994, and approved in referendum votes in June, October and November respectively. The 12 became the 15, and the EU's population increased from 345 million to 368 million. With regard to voting in the Council of Ministers, Austria and Sweden would have 4 votes and Finland 3, out of a total of 87. A qualified majority therefore required 62 (except for decisions on Commission proposals) votes with at least 10 Member States voting in favour. The accession of the three states meant that the EP increased from 567 to 625 members, with 22 from Sweden, 21 from Austria and 16 from Finland.

9 January. The Austrian schilling joined the ERM of the EMS at a central rate of ECU 1 = Sch 13.7167.

13 January. Italian President Scalfaro appointed Lamberto Dini Prime Minister-designate of Italy.

17 January. Lamberto Dini's government of technocrats was sworn in in Italy.

17 January. The new EU Commission President, Jacques Santer, presented the priorities for his Presidency to the EP in Strasbourg.

18 January. The EP approved by 416 votes to 103 the appointment of the new 20 member Commission with Jacques Santer as President. There were 59 abstentions. The Commission finally took office after it had been sworn in by the European Court of Justice on 24 January.

1 February. The European Commission elected Manuel Marin and Sir Leon Brittan as its vice-presidents.

2 February. The Bank of England raised the base lending rate by a half a percentage point to 6.75%.

15-16 February. The 15 EU Foreign Ministers failed to agree on renewed funding for the African, Caribbean and Pacific states under the fourth Lomé Convention, which had been signed in 1989 and covered the period 1990-2000.

6 March. The EU monetary committee agreed to a realignment of the ERM by devaluing the Spanish peseta by 7% and the Portuguese escudo by 3.5%

6 March. EU Foreign Ministers and Turkey signed an agreement to introduce a customs union from January 1996.

20-21 March. Paris Conference on European Stability Pact.

26 March. The Schengen Convention came into effect. This meant that passport controls at the common internal borders of seven EU Member States were abolished and such controls at external borders were strengthened. The countries were Belgium, France, Germany, Luxembourg, the Netherlands, Portugal and Spain.

12 April. The EU signed associate membership agreements with Estonia, Latvia and Lithuania, which upgrade existing economic co-operation and free trade agreements.

13 April. Paavo Lipponen became Prime Minister of Finland. He was the head of a five-party coalition government.

23 April. In the first round of the French Presidential election, Lionel Jospin (Socialist) won 23.2% of the vote, while Jacques Chirac (Gaullist) won 20.1%.

28 April. Austria became the 10th EU country to sign the Schengen Convention.

3 May. A UN brokered cease-fire agreement was signed by Croatia and Croatian Serb representatives.

7 May. Jacques Chirac was elected President of France.

10 May. Jacques Santer presented a report by the Commission on the functioning of the EU Treaty in light of the 1996 IGC. The Commission report rejected the concept of a European “à la Carte”, in which some countries could choose some elements of the Union and reject others. However, Santer accepted that some Member States might need to move at different speeds.

15 May. Lisbon WEU Ministerial meeting. At the meeting the members agreed to establish in Torrejón, Spain, a permanent WEU base for the reception and examination of satellite photographs, as well as to increase the staffing of the WEU headquarters in Brussels.

17 May. The EP approve by 288 votes to 103 votes with 76 abstentions the so-called “Bourlanges/Martin report” as part of the preparations for the 1996 IGC.

17 May. Jacques Chirac succeeded François Mitterrand as President of France, and appointed Alain Juppé Prime Minister.

21 May. In the Belgian general election the four-party coalition government retained power.

2 June. The IGC Reflection Group was launched. The first ministerial meeting in Messina revealed that a large gulf existed between the UK and the majority of the other Member States over the extent of reform that was desired.

3 June. The UK agreed to send 5,500 troops to Bosnia as part of the new UN rapid intervention force.

9 June. It was announced that the former Swedish Prime Minister, Carl Bildt, would succeed Lord Owen as co-chairman of the International Conference on the Former Yugoslavia.

20 June. NATO requested the permission of the UN for air strikes on Banja Luka airport as a response to Bosnian Serb violations of the No Fly Zone.

22 June. John Major resigned as leader of the Conservative Party and stated that he would stand in the forthcoming leadership contest.

12 July. The UN and EU demanded the withdrawal of Bosnian Serbs from Srebrenica.

21 July. A meeting was held in London of the EU, UN, NATO, Contact Group and other UN troop contributors to discuss a response to Serb attacks on safe areas.

25 July. The International Criminal Tribunal indicted Karadzic and Mladic for genocide and Martić for war crimes.

1 August. NATO agreed to use theatre-wide air power as part of an effort to protect the safe areas.

11 August. A European Court of Justice ruling held that rules ending entitlement to invalidity benefit for a woman at the age of 60 did not breach a European directive of equal treatment for men and women in matters concerning social security.

22-23 September. Majorca informal European Council. The meeting was dominated by the issue of the timing and the criteria for EMU. Leaders for the first time stated that certain countries might not be able to comply with the economic convergence criteria as set out in the TEU.

14 November. The European Monetary Institute published a timetable for the introduction of a single currency.

23 November. Brussels Justice and Home Affairs Council. The meeting approved a non-binding “joint-action” setting out a new, harmonised definition of the term ‘refugee’. It was

more restrictive than the original definition that was contained in the 1951 Geneva Convention relating to the Status of Refugees.

15-16 December. Madrid European Council meeting at which leaders confirmed that the single European currency was to be introduced from January 1999, in the third and final phase of EMU. They also decided that the currency should be called the “euro.” They also agreed that the intergovernmental conference to review the functioning of the European institutions would be opened on 29 March 1996.

1996

8 January. Former President François Mitterrand of France died.

22-24 January. Jacques Santer launched a three-day round table session in Brussels to publicise the intended EU single currency.

17-18 February. The USA organised a mini-summit in Rome as part of an effort to reinforce support for the December 1995 peace agreement for Bosnia-Herzegovina. The implementation of the agreement had been placed in jeopardy by a series of events in Bosnia during early February which were primarily related to the issues of war crimes and of territorial transfers in Mostar and Sarajevo.

5 March. European Court of Justice ruling stated that EU governments must compensate companies and individuals for losses resulting from their failure to implement EU laws correctly.

12 March. UK government White Paper on the IGC: ‘A partnership of nations.’

20 March. It was announced that the UK could face a major health crisis in the form of a possible link between BSE which is found in cattle, and the fatal disease found in humans known as Creutzfeld-Jacob disease (CJD).

25 March. The EU veterinary committee voted by 14 to 1, to recommend a total ban, which was immediately implemented, on the export of beef and beef products from the UK. The only dissenter was the UK.

29 March. 1996 IGC launched in Turin. The IGC process was expected to continue until mid-1997, concluding at the June 1997 Amsterdam summit.

3 April. The UK government announced that it would hold a referendum if it decided that the UK should join a European single currency.

21 April. In the Italian general election the centre-left Olive Tree alliance won a decisive advantage over the right-wing Freedom alliance. Yet, with 284 out of 630 seats in the Chamber of Deputies (and 157 out of 315 elective Senate seats) it was dependent on support from outside the alliance so as to obtain an overall majority.

7 May. WEU Ministerial meeting in Birmingham included the foreign and defence ministers from the 10-member WEU along with their counterparts from the five neutral observer countries - Austria, Denmark, Finland, Ireland and Sweden. The 12 associate or partner countries also attended - Bulgaria, the Czech Republic, Estonia, Hungary, Iceland, Latvia, Lithuania, Norway, Poland, Romania, Slovakia and Turkey.

21 May. UK adopted a policy of non-co-operation with the EU until a timetable to lift the ban on the export of beef was settled. The government established a Ministerial committee on 22 May, chaired by Prime Minister Major, to oversee the confrontational strategy.

24 May. UK vetoed a EU bankruptcy convention as part of its policy of non-cooperation.

4 June. The European Commission announced that it would phase out the UK export ban on tallow, gelatine and semen over the following weeks if stricter health controls were imposed (commencing on 11 June). On the same day the UK government put forward to EU agriculture ministers its plans for the eradication of BSE from cattle herds, which despite some additional safety measures was the reiteration of its existing stance.

5 June. The UK approved the EU-Slovenia association agreement, despite still adopting a policy of non-cooperation.

5 June. French President Jacques Chirac and German Chancellor Helmut Kohl met in Dijon and reached agreement that the December Franco-German summit should finalise a ‘common security and defence concept’.

10 June. The UK approved EU cooperation talks with Algeria and the allocation of funds to monitor elections in Bosnia, despite a policy of non-cooperation.

17 June. The UK agricultural dispute dominated the Rome Foreign Ministers meeting which was intended to prepare the agenda for the forthcoming Florence European Council meeting.

17 June. EU Transport Ministers meeting in Luxembourg produced agreement by fourteen to one (the UK voted against) that future negotiations with the US on the ‘open skies’ agreements relating to the liberalisation of the aviation industry should be negotiated by the EU as a bloc rather than individual Member States.

21-22 June. Florence European Council reached agreement by Foreign Ministers on the first day to end the confrontation between the UK and the other Member States over the EU imposed ban on UK exports of beef and beef products. Thus, the summit was able to deal with the main items on the agenda, which included the analysis of the first three months of the IGC to review the Maastricht TEU.

2 July. The European Commissioner responsible for fisheries suggested that 1997 fish quotas should reduce the quota for North Sea herring by a half.

8 July. EU Finance Ministers examined the progress made by Member States towards the EMU convergence criteria, with criticism levied at all countries apart from Denmark, Luxembourg and Sweden. They were acknowledged to have made significant progress in reducing their debt and public debt.

12 July. The European Court of Justice rejected an appeal by the UK government to lift the ban on UK beef exports which had been imposed by the European Commission in March 1996. The Court's ruling was based on scientific evidence of a link between BSE in cattle and Creutzfeldt-Jacob disease in humans.

22 July. The European Commissioner with responsibility for agriculture, Franz Fischler, asked EU Agriculture Ministers to ban the spleen, brain and spinal cord of sheep and goats from entering the human food chain.

24 July. EU Member States signed a protocol to the Europol Convention which allowed states to choose to accept the jurisdiction of the European Court of Justice, but did not oblige them to do so.

8 August. Belgium was the first Member State which promised to meet the timetable for the transition towards a single currency that was agreed at Madrid December 1995 European Council.

13 August. The European Monetary Institute published a report on the technical aspects of the Target payments system which was to operate from the start of stage three of EMU in January 1999.

28 August. Publication of an article in *Dagens Nyheter* Sweden's Finance Minister, Erik Asbrink, stating that Sweden would not seek to be part of the first countries to participate in EMU. This was despite the government being confident that it would meet the convergence criteria.

1 September. Franco-German summit meeting in Bonn between Jacques Chirac and Helmut Kohl.

7-8 September. Foreign Ministers meeting confirmed that a mini-summit would take place on 5 October to examine progress made in the IGC negotiations, with it having been initially expected to conclude by June 1997.

13 September. Budget austerity measures were approved in Germany as part of efforts to meet the EMU convergence criteria.

16 September. Annual Spanish-Italian Heads of Government meeting in Valencia.

17 September. Agricultural Ministers reached agreement on the request of an increase in the intervention purchasing of beef.

18 September. Presentation of a deficit-cutting budget in line with attempts to conform to the EMU convergence criteria.

20-21 September. Dublin meeting of EU Finance Ministers and Central Bank Governors supported the concept of a stability pact on budgetary discipline.

24 September. Agricultural Ministers proposed the use of 500 million ECU from surplus budget funds to assist farmers affected by the loss of consumer confidence in beef products as a result of the BSE crisis. This was in addition to the 850 million ECU which was approved in June 1996.

26-27 September. Dublin meeting of EU Justice and Home Affairs Ministers signed a convention to facilitate extraditions between Member States where an offence can be punished by a prison sentence in both of the concerned states.

27 September. The Spanish and Italian governments committed themselves to meeting the EMU convergence criteria with the presentation of tough austerity budgets.

5 October. Extraordinary Dublin European Council meeting examined the IGC negotiations, at which Member States reaffirmed June 1997 as the deadline for completing all work. The UK Prime Minister, John Major, noted his opposition to 'over-extending' the EU's competence in the field of defence cooperation. He also insisted that any treaty should remove the possibility of allowing health and safety regulations to limit the length of the working week.

14 October. Transport Ministers rejected a proposals for extra EU budget funding for fourteen major projects on road, rail and airport infrastructure, as advocated by the President of the European Commission, Jacques Santer.

14 October. Finland became a member of the EMS.

14 October. The UK voiced noted its opposition to European Commission proposals to reduce up to 50% in the capacity of fishing fleets for certain types of fish.

24 October. The European Parliament voted by 386 to 35 (15 abstentions) in favour of a 1997 budget totalling 88 billion ECU, which represented an increase of 1% on 1996.

6 November. A European Monetary Institute report emphasised that the majority of Member States had not fulfilled the necessary convergence criteria conditions to progress to EMU.

The report stressed that ‘great attention will have to be paid to the substance and not only to the accounting methods used in measuring both deficits and debts’, a reference directed towards French and Italian attempts to improve their position in 1997 by one-off measures.

18 November. Channel Tunnel rail fire.

24 November. EU Finance Ministers and Central Bank Governors reached agreement on allowing the lira to re-enter the ERM, four years after it was suspended from the system.

12 December. The European Parliament approved a budget of 89 billion ECU for 1997.

This represented a 2.8% increase over 1996 expenditure.

13-14 December. Dublin European Council meeting reached agreement on a single currency stability pact.

1997

8 January. The European Commission imposed a quota on rice imports from Member States overseas territories as part of an effort to protect EU rice producers.

14 January. The Spanish Christian Democrat, José Maris Giles Robles, was elected Speaker of the European Parliament, succeeding the German Social Democrat, Klaus Hänsch.

20 January. Brussels Foreign Ministers meeting discussed the IGC negotiations, when the first discussions on flexible decision-making took place, thereby allowing groups of Member States to pursue greater integration. France and Germany especially advocated a policy which would allow deeper integration among some Member States, with the Germany Foreign Minister, Klaus Kinkel, stating that ‘no Member State should be able to block the way ahead by means of the veto’. This position was, however, opposed by Denmark, Greece, Portugal, Sweden and the UK.

20 January. The European Commission imposed fines on Germany and Italy for breaching EU legislation, being the first time that it attempted to use its powers to fine Member States via Article 171 of the Treaty on European Union.

18 February. The Netherlands Foreign Minister, Michel Patijn, published draft proposals on flexible decision-making as part of the IGC negotiations. This would allow groups of Member States to pursue greater integration, with majority voting extended to 25 policy areas, including industry, culture, research and technology and the free movement of people. However, the veto would still apply to sensitive policy areas such as social security, enlargement, future treaty amendments and direct taxation.

18-20 February. The European Parliament debated a report from a cross-party committee which accused the UK government of fuelling the beef crisis.

19 February. The European Parliament gave the European Commission nine months to conduct substantial reforms of its food and health policies or it would face a motion to dismiss all 20 European Commissioners.

17-19 March. Brussels EU Agricultural Ministers meeting reached agreement that all beef had to be marked with its country of origin. This development was resisted by the UK

because the government considered it would affect the sales of beef in the wake of the March 1996 world-wide ban on UK beef exports, which was a response to BSE fears.

25 March. EU Foreign Ministers meeting in Rome to commence the 40th anniversary of the Treaty of Rome. At this meeting the Netherlands presented a draft treaty for discussion at the June Amsterdam European Council meeting. Certain parts of the draft included the provision for the transfer from national governments to the EU of certain policies such as immigration, asylum and visas.

5-6 April. Noordwijk meeting of EU Finance Ministers and Central Bank Governors reached agreement on an outline EMU timetable and endorsed the single currency stability pact. The meeting decided that a special EU Council would be held in May 1998 to determine which Member States had met the EMU economic convergence criteria.

21 May. The European Commission appointed Carlo Trojan of the Netherlands as its secretary general to replace David Williamson, with effect from 1 July 1997.

23 May. EU Heads of State and Government and Foreign Ministers met at Noordwijk to prepare for the June Amsterdam European Council. Greater optimism among Member States was apparent at the summit, primarily because of the change of the UK general election which had resulted in Tony Blair becoming Prime Minister.

16-17 June. Amsterdam European Council meeting finalised the treaty which had been negotiated during the IGC, while the newly elected UK Labour government accepted the Social Chapter. However, the treaty did not resolve key institutional questions, including the reform of voting in the Council of Ministers, the extension of majority voting and a condensing of the European Commission. The meeting was particularly noted for the negative position of the German Chancellor, Helmut Kohl, who blocked the extension of majority voting in certain areas and defended both national and regional rights at the expense of new EU-wide powers. A further development of the meeting was the defeat of the Franco-

German proposal to integrate the WEU into the EU by the combination of an alliance of the UK, Denmark, Finland, Ireland and Sweden.

16 July. The President of the European Commission, Jacques Santer, presented Agenda 2000 to the European Parliament in Strasbourg. This represented a package of plans to cover EU enlargement, the budget and the future of the CAP.

18 July. Austria, Germany and Italy agreed to implement the Schengen Convention from 1 April 1998.

17 August. Chancellor Helmut Kohl called for a reduction in Germany's contributions to the EU budget in a television interview.

28 August. Bonn Franco-German summit attempted to improve relations between both nations which had become strained since the election of Lionel Jospin as French Prime Minister in June. Germany had been concerned about statements by Jospin and his Finance Minister, Dominique Straussman, which called for a relaxation of the EMU convergence criteria and more expansionist economic policies.

13-14 September. Meeting of EU Finance Ministers in Mondorf, Luxembourg, reached agreement that the bilateral rates for currencies joining EMU would be announced in May 1998. The meeting also emphasised divisions between Member States over contributions to the EU budget, with Germany and the Netherlands calling for a reduction in their net contributions.

25-26 October. EU Foreign Ministers meeting in Mondorf, Luxembourg, discussed prospects of enlargement, but did not reach agreement as to which countries would be invited to participate in accession talks with EU Heads of State and Government at their summit meeting in December 1997.

17 November. Luxembourg EU Finance Ministers meeting examined French proposals for the creation of an informal new council that would bring together only those EU Member States participating in the single currency stage of EMU. This would therefore allow them to coordinate policies, with the new group likely to exclude Denmark, Greece, Sweden and the UK.

20-21 November. Extraordinary Luxembourg summit meeting devoted to employment.

Agreement was reached on new guideline for job creation and assistance for the young and long-term unemployed.

9 December. The European Court of Justice condemned the French government for being reluctant to intervene in a succession of strikes that had blocked roads and prevented the free movement of goods.

12-13 December. Luxembourg European Council meeting reached agreement on inviting six countries to start membership talks in March 1998: Czech Republic, Estonia, Hungary, Poland, Slovenia and Cyprus.

22 December. The Defence Ministers of Germany, Italy, Spain and the UK signed an agreement for the full production phase of the £42 billion Eurofighter aircraft, the idea for which had been initially conceived in the late 1970s.

13. Towards a single currency, 1998-99

1998

January. The EU approved a partial lifting of the 1996 export ban on UK beef, with the proposal only applying to the export of beef products from Northern Ireland. This was because it was the only part of the UK which had a complete computerised tracking system, while it also had less recorded cases of BSE than elsewhere in the UK.

12 January. EU-Japan Summit (Tokyo).

28 January. The European Commission imposed a fine of 102 million ECU on Volkswagen for its refusal to sell cars view Italian deals to German and Austrian nationals. This was the largest fine ever placed upon a company as part of the European Commission's efforts to remove obstacles to the single European market.

4 February. The European Commission decided on a list of objectives which the ten applicant countries should achieve by the end of 1998 if they were to qualify for EU membership. Of these, Poland was asked to reduce its external debt and restructure its steel industry, while Slovakia was asked to hold free and fair presidential, legislative and local elections in 1998.

9 February. 155 leading German economists called for an ‘orderly postponement’ of the plan to introduce the single European on 1 January 1999.

27 February. The fifteen EU Member States formally filed their 1997 statistical reports that would form the basis for deciding whether they would be able to participate in the single currency stage of EMU. All countries, except Greece, met the basic economic convergence criteria established by the TEU.

12 March 1998. The London European Conference at Lancaster House brought together present and future EU members to examine means of tackling issues on a pan-European basis, as provided for by the December 1997 Luxembourg European Council. Subjects discussed included drugs and organised crime, economic policy, the environment, foreign policy and security policy (including Kosovo). The conference was attended by the 15 EU Member States, Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovenia, Slovakia and Cyprus.

13-14 March. Edinburgh informal Foreign Ministers meeting.

14 March. The Greek drachma rejoined the ERM after it had been devalued by 14%.

16-17 March. The Brussels meeting of EU Agricultural Ministers approved a partial lifting of the 1996 export ban of UK beef. This had previously been approved by the European Commission in January 1998. Eleven of the fifteen Member States supported a relaxation of the ban, Belgium and Germany voting against and Luxembourg and Spain abstaining. The easing of export restrictions applied to deboned beef from cattle aged between six and 30

months which had come from herds that were certified to have been BSE free for the last eight years.

18 March. The European Commission published plans for a review of EU spending in line with plans for future enlargement. This included reductions in agricultural subsidies and changes in regional subsidies and structural funds.

20-21 March. York informal Finance Ministers meeting.

25 March. The European Commission recommended that eleven Member States adopt the single currency from 1 January 1999 after having examined the statistical data issued by Member States on 27 February. Austria, Belgium, Finland, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Portugal and Spain were all considered by the European Commission to have met the convergence criteria. Denmark, Sweden and the UK had previously opted out of joining the Euro in the first wave and Greece was not considered to have met the required criteria.

8 April. The UK Court of Appeal ruled that Spanish trawlers were able to claim £100 million in compensation from the UK government for the time that they had been banned from fishing in UK waters.

16 April. The Swedish parliament voted in favour of it joining the Schengen agreement that linked nine EU states.

2-3 May. Brussels EMU Council decided that eleven of the fifteen EU Member States were deemed to have qualified to adopt the single currency on 1 January 1999, namely Austria, Belgium, Finland, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Portugal and Spain.

19 May. EU Finance Ministers decided that duty-free shopping within the EU would be abolished by July 1999.

22 May. Irish referendum on the Amsterdam Treaty. 62% voted yes.

27 May. The European Commission agreed to lift the ban on the exportation of beef from Northern Ireland from 1 June 1998. The lifting of the ban in Ulster had been agreed in March 1998 but it was conditional on the inspection of meat plants by EU veterinary experts.

28 May. Danish referendum on the Amsterdam Treaty. 55.1% to 44.9%.

15-17 May. Birmingham Group of Eight summit.

8 June. Prior to the June Cardiff European Council, Chancellor Kohl and President Chirac wrote a public letter with the aim of settling the summit agenda. Their letter called for increased subsidiarity, including a more decentralised EU that would be closer to its citizens and which would respect political and cultural diversity. Both leaders also complained about the remoteness of the EU institutions.

15-16 June. Cardiff European Council meeting.

23 June. 150 troops from the Eurocorps flew to Sarajevo from their Strasbourg base in their first operation mission since Helmut Kohl and François Mitterrand created it in 1993. The Eurocorps consists of 60,000 troops from five countries.

7 July 1998 The London and Frankfurt Stock Exchanges laid foundations for a future pan-European stock market after they agreed to a strategic alliance.

8 July 1998 UK Strategic Defence Review outlined a reduction of £915 million in British defence spending in real terms over a three year period (to £23 billion in 2001-02, or 2.4% of GDP). The main elements of the Review were a 3,300 increase in the regular armed forces, a reduction in the Territorial Army from 56,000 to 40,000, the creation of a 15,000 strong rapid reaction force and the building of two new large aircraft carriers, each capable of taking 50 aircraft.

22 July The European Commission approved a negotiating mandate for the proposed creation of a free trade area, the world's largest, with the Mercosur nations (Argentina, Brazil, Paraguay and Uruguay) and Chile (an associate member of Mercosur). The European

Commission decided to allow Air France (the French state airline) to retain a French Franc 20 billion subsidy which had been annulled by the European Court of Justice in late June 1998.

27-29 July. UK Cabinet reshuffle resulted in the dismissal of four members of the Cabinet. It was perceived as a means of strengthening the Blairite and pro-European representation of government, as well as curbing the power of Chancellor Brown. The new appointments included Peter Mandelson as President of the Board of Trade and Secretary of State for Trade and Industry, Nick Brown as Minister of Agriculture, Fisheries and Food, Stephen Byers as Chief Secretary to the Treasury and Baroness Jay of Paddington as Lord Privy Seal, Leader of the House of Lords and Minister for Women. Other members of the Cabinet moved to different posts, of which Alistair Darling was appointed Secretary of State for Social Security, Jack Cunningham was made Chancellor of the Duchy of Lancaster and Minister for the Cabinet Office, Margaret Beckett was appointed President of the Council and Leader of the House of Commons, while Ann Taylor was made the government's Chief Whip. The four departures from the Cabinet were Harriet Harman (Social Security), Gavin Strang (Transport), David Clark (Chancellor of the Duchy of Lancaster) and Lord Richard (Lord Privy Seal and Leader of the House of Lords).

3 August 1998 A new Dutch Cabinet was inaugurated comprising members of the coalition which had governed since August 1994. This included the leftist Labour Party (PvdA), right-wing peoples Party for Freedom and Democracy (VVD) and the centre-left formation Democrats 66 (D66).

27 September 1998 German election resulted in victory for the Social Democrats (led by Gerhard Schröder), who obtained 298 seats in the Bundestag (252 in 1994). The Christian Democrats/CSU (led by Helmut Kohl) got 245 (294 in 1994), the Greens 47 (49), Liberals 44 (47) and the ex-Communists 35 (30). As for the percentage of votes cast, the Social Democrats obtained 40.9% (36.4% in 1994), the Christian Democrats/CSU 35.2% (41.4%),

the Greens 6.7% (7.3%), the Liberals 6.2% (6.9%), the ex-Communists 5.1% (4.4%) and others 6% (3.6%). The significance of the Social Democrat victory was that it meant that the main nations within the EU now had left-of-centre governments, with Spain being the only large EU country to have a Conservative government.