

INSTITUTIONAL EVOLUTION OF EUROPEAN UNION TOWARD THE ENLARGEMENT. REFORMING ASPECTS OF THE INSTITUTIONAL SYSTEM

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Abstract *One of the major challenge of the European Community is to adapt an initial institutional system to a new situation. European Union’s enlargement created a new context in its architecture and, also, in solving new and specific problems requested by this enlargement. The institutions became over-numbered and not enough optimal in their decisions. Also, different new members of the Community had different visions about the future of European Union, about the institutional system, about the major objectives of the Union, etc. This article focuses on some of these preoccupations and some solutions that should be able to find to these challenges. The most important EU’s institutions were reorganized and improved by the most important European Treaties, and new directions were drawn in the way of creating the most representative and efficient institutional system.*

Keywords: social oriented market economy, The Common Market, The Single European Market, qualified majority, blocking minority

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1. Introduction

The international integration – in general – and the european integration – in particular – is, beyond any doubt, one of the most important historical issue in our time.

Among the international integration structures we can appreciate that European Union is one of the most representative. This idea could be sustained by at least four reasons:

1. European Union is is the most adavanced integration structure in the world. This could be appreciated at least from three points of view:
 - a. economical union
 - b. monetary union
 - c. some political union aspects
2. European Union created a new concept – „social market oriented economy”, which might be considered a solution for the lacks of the market economy
3. European Union is a powerfull integration structure through its internal market and its representativity in the global market
4. European Union is a dynamic structure because of the enlargement process. During its seven stages of enlargement European Union had to adapt to new situations and challenges.

A complex structure like this implied an institutional system able to respond to the economical, social and political changing circumstances.

At the beggining, the institutional system was created only to achieve a few objectives (The High Authority was responsible for with the survey of the common coal and steel production, The Common Assembly - to survey the High Authority’s activity - , The European Court of Justice – the institution which is responsible for the legal aspects of the Community – and The Council of Ministers – the decisional institution).

During its evolution, the Community’s objectives changed, by multiplying and diversification and, as a consequence, the institutional system was involved in a process of changing and improving. This aspects can be pointed in a process known as the evolution of the Common Market to the Single European Market.

The Common Market was created by The Treaty of Rome (1957). The main objectives regarding this subject from this treaty were: (Sută, 2000)

- Custom union

- Free movement of goods
- Common Tarrif
- Free movement of factors (capital and labour)
 - Free movement of labour (the right to move for work and to remain in a country subsequently)
 - Free movement of capital
- Common poiltics
 - Common Agricultural Policy
 - Common Trade Policy
 - Common Transport Policy
- Harmonization of politics
 - Harmonization regarding industry, technology, education and reserching
- Creation of common institutions
 - Main institutions (The European Commission, The European Parliament, The European Council, The European Court of Justice, The Social and Economic Committe)
- Creation of common funds
 - The European Social Fund

The Single Market followed the Common Market. According to this concept, the Community started a new stage of evolution, by establishing new integration objectives. They can be resumed in what is called „the four fundamental freedoms of the Single Market”:

- Free movement of goods
- Free movement of services
- Free movement of capital
- Free movemet of labour

2. The institutional evolution of European Union

The institutional system of European Union was created by specific institutions of the three Communities (European Coal and Steel Community, European Economic Community, European Atomic Energy Community) which merged lately and created the European institutions as we know them today (The European Commission, The European Parliament, The European Council, The European Court of Justice). The European Council was recognized as an institution in 2007 (The Lisbon Treaty) and other new institutions were created later, by other treaties (The Regions Committee, Ombudsman).

When the Community enlargement process started, the European institutions had to adapt to new requests, generated by: the member number (which might mean over dimensioned institutions and, also, high administrative costs), each institution role in the decisional system, new institutions created especially for the enlargement, etc. For instance, the fourth enlargement brought new preoccupations for the Community such as: preoccupations for the environment (knowing the fact the Sweden and Finland are very active in sustaining an ecological development of the world), but also problems with the euro skeptics (Sweden is one of the most important country regarding this ideas) (Marinescu, 2011)

The first reforming attempts took place in 1987 by **The Single European Act**. These aspects refer to:

1. extension of the vote by majority in the Council (extended to all the decisions regarding The Single Market excepting the fiscal area and the free movement of persons). In the same time the Treaty limited the unanimity and the veto.
2. introducing a new procedure – cooperation - as a consequence of the necessity of growing the European Parliament implication

One of the most important treaty that reformed the institutional system was signed in Maastricht (1992) and it is known as **The Treaty of European Union**.

The main aspects regarding the institutions refer to two main issues:

1. stipulations regarding new roles and responsibilities for the existing institutions
2. creation of new institutions

In the first categories the following stipulations can be mentioned:

Tabel 1 **Stipulations of the Maastricht Treaty for the institutions**

| INSTITUTION | STIPULATIONS REGARDING COMPETENCIES | STIPULATIONS REGARDING THE WORKING SYSTEM |
|-------------|-------------------------------------|---|
|-------------|-------------------------------------|---|

| | | |
|-------------------------------|--|--|
| Council of Ministers | <ul style="list-style-type: none"> • Stipulations regarding the Council structure • Co-decision procedure | <ul style="list-style-type: none"> • Maintenance of the principles regarding the system of rotation for the presidency, majority vote system, etc |
| European Parliament | <ul style="list-style-type: none"> • Growing of implication in the legislative procedure (co-decision procedure, a specific role in establishing the members and the president of the Commission, a role regarding the European Social Fund, the free movement of workers, researching and development, etc) • consultative role regarding The External and Security Common Policy and the Economic and Monetary Union | <ul style="list-style-type: none"> • it can be implied in conflicts between institutions • attributions regarding the Community law |
| European Commission | <ul style="list-style-type: none"> • the Commission keeps its main attribution, to be “the Guardian of treaties” (with The European Court of Justice) | <ul style="list-style-type: none"> • starting from 1 of January 1995 the Commission mandate will be equal to the Parliament • stipulations regarding the member number, the vice-presidents number and the procedure of the Commission’s president appointment |
| European Court of Justice | <ul style="list-style-type: none"> • competences regarding the Court control about some specific acts (regarding co-decision, the European Central Bank’s activity, etc) • the power to constrain the member states | <ul style="list-style-type: none"> • maintaining of the previous principles |
| Economic and Social Committee | <ul style="list-style-type: none"> • the possibility of reuniting as a matter of its own initiative • formalization of the right to initiate an opinion | <ul style="list-style-type: none"> • its functioning rule is not necessarily adopted by the Council |

Source: Diaconescu, M., “Economie europeană”, Ed Uranus, București, 2002

Regarding the second stipulation category The Maastricht Treaty is responsible for creating the following new institutions:

1. The Regions Committee – as an expression of the economical and social cohesion principle. It is an institution which is consulted (mandatory or not) in the specific problems with regional impact
2. Ombudsman – created for the improvement of European citizens protection in cases of bad administration of the European institution and, also, to improve the democratic responsibilities of the Community’s institutions

The Nice Treaty (2001) established a set of principles regarding the institutional system in the context of the most largest enlargement of the European Union – as the enlargement to Eastern and Central European Countries was. The most innovative aspect of this treaty is that the institutional reform was in concordance with the non-member states – actually candidate states – which were included in the future institutional structure without being “de facto” members.

This treaty gives new roles to the institutions, as it follows:

- The Commission (members and their role)
- Attempts to find an equilibrium in the vote system in the Council
- The new composition of the European Parliament and its role
- Stipulations regarding the Economic and Social Committee and the Regions Committee

The European Constitution, compared to the Nice Treaty, did not bring substantial changes in the institutional system structure. Some new institutions and roles were stipulated – such as the external affair minister which should be, also, the vice-president of the European Commission.

Some new aspects could be mentioned.

First of all, the Constitution tried for the first time to establish concrete roles in the system to each institution, as it follows:

- The European Parliament has legislative role, political controlling role, and consultative role
- The European Commission has executive and coordination role
- The Council of Ministers has legislative role (shared with the European Parliament) and decisional role
- the role of supreme authority for the European Council is specified.

The delimitation of this roles is very important regarding the so called “power separation principle”, specific to the national level. In the Community there are no actors to represent only one role, as it happens at the national level. The Community tried to find and improve another system, where more than one institution should be responsible for the decisions. In this way, the Community assures itself that the decision is representative for a lot of interests, knowing the fact that European Union is composed by a lot of states with specific interests. The Community tried to find honest solutions to subordinate this national interest to the general, over-national Community’s interest.

The **Lisbon Treaty** (2007) came with new clarifications regarding the institutions. According to this treaty, the following institutions are recognized like European institutions: The European Parliament, The European Commission, The Council (The Council of Ministers), The European Court of Justice, The European Central Bank and The Court of Auditors. The Treaty established very clearly to these institutions.

Also, to avoid the over-dimensioning of the institutions the Treaty established some limits for some of them. Especially it refers to the European Parliament. For this institution the Treaty established a maximum of 750 deputies, with a minimal limit for each state of 6 deputies and a maximum limit of 96 deputies for each state. Also, there are some specifications for the European Commission – starting with 1 of November 2014 a new number of commissioners (2/3 from the number of member-state) is established.

3. Conclusions

Analyzing this aspects, we can conclude the following:

1. The enlargement of European Union generated certain problems regarding the structure and the institutions composition. There are at least two institutions involved in this type of problems – the European Parliament and the European Commission. For instance the Parliament started as an institution with 72 deputies (in 1951) and in 2007 had 782 deputies. Also, the Commission has 27 commissioners, each of them wits his own general directorate.

The over-dimensioned institutions imply two categories of concerns:

- Growing administrative costs requested by the institutions
 - Difficulties to find the optimum decision
2. the institutional system reform during the enlargement imply, also, developing and perfection of the existing procedures. In this field, some of the procedures were excluded (consulting), other procedures were introduced (co-decision) or even extended (the ordinary decision procedure)
 3. the decisional system should adapt to the new proportions regarding the qualified majority and blocking minority system. The Central and Eastern European countries modified the percents of population and, as a consequence, the number of votes changed. This evolution could be represented like this:

Tabel 2. **Distribution of votes – qualified majority and blocking minority**

| Enlargement moments | Number of countries | Number of votes | Qualified majority (QM) | Minimum number of states – QM | % population -QM | Number of states – blocking minority (BM) | % -MB |
|---------------------|---------------------|-----------------|-------------------------|-------------------------------|------------------|---|-------|
| 1958 | 6 | 17 | 12 (70,59) | 3 | 67,70 | 2 | 34,83 |
| 1973 | 9 | 58 | 42 (74,41) | 5 | 70,62 | 2 | 12,31 |
| 1981 | 10 | 63 | 45 (71,43) | 5 | 70,13 | 2 | 13,85 |
| 1986 | 12 | 76 | 54 (71,05) | 7 | 63,29 | 3 | 12,12 |
| 1995 | 15 | 87 | 62 (71,26) | 8 | 58,16 | 3 | 12,05 |
| 2007 | 27 | 345 | 258 (74,8) | 15 | 46,41 | 6 | 13,5 |

Source : Miron, D., “Economia Uniunii Europene”, Ed. Luceafărul, București, 2002

4. The enlargement implies the necessity to establish clearly the roles of the institutions in the decisional system. It is important to mention The Lisbon Treaty idea to demonstrate that the institutional system is now very clearly defined regarding the roles of its components:

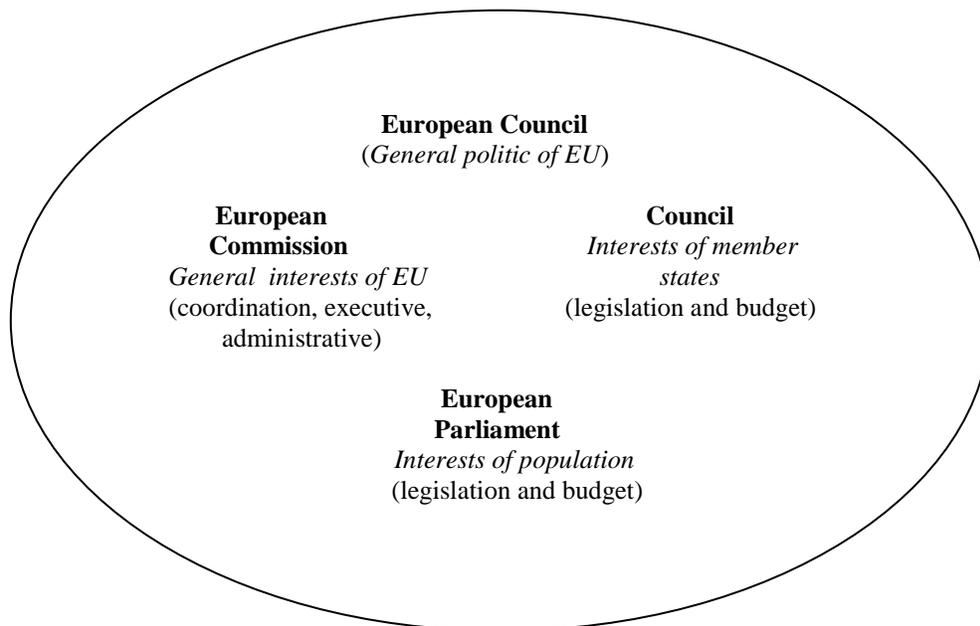


Figure 1 **Institutions of European Union - interests and roles** (Treaty of Lisbon)

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