

Institutions,
Policy-Making, and
System Structure of the
European Union

International situation after World War II

- The evolvment of two superpowers USSR and USA.
- Economic decline in Europe in the end of World War II resulted in foundation of the Organization for European Economic Cooperation (OEEC, later OECD) and COMECON, the Council for Mutual Economic Assistance.
- The build-up of military, i.e. nuclear power by the two superpowers and the rivalry of sociopolitical designs promoted feelings of insecurity in Europe that stimulated the foundation of the North Atlantic Treaty Organization (NATO) and the Western European Union (WEU) in 1949 as well as the Warsaw Defense Organization (WDO).
- All those developments were not able to satisfy the Western European states wish for peace. It was seen as central to avoid a future war by controlling the German coal and steel industry, the main production sector for weapons at that time.

Characterizations for the European Union

- The European Union is a construction sui generis (lat. of its own origin).
- The European Union is neither an international organization resp. regime nor a federation (of states).
- The European Union governs, i.e. it generates common binding decisions, without being a state.
- The European Union has an extensive law system with three categories of law: primary law (treaties), secondary law (directives, regulations, decisions) and the jurisdiction by the European Court of Justice.
- The European Union is a system of institutions and agencies.
- The European Union has a complex system of policies.

The Monnet Method

- implies
 - ▶ on one hand: political equality and binding obligations for the member states,
 - ▶ on the other hand: reciprocity in relations and sharing of benefits of integration.
- The cooperation helped to develop a mutual self-interest, weakening tendencies of short-term gain-thinking and power politics thinking.

The institutional bodies of the EU system

- the European Commission
- the Council of the European Union
- the European Parliament
- the European Court of Justice
- the European Court of Auditors
- the European Central Bank
- the European Economic and Social Committee
- the Committee of the Regions
- the European Investment Bank
- the European Ombudsman
- 19 agencies

Checks and balances in the EU system

	National State	European Union
Legislative Power	Parliament (some with a second chamber)	Initiative: only EC! Decision: CoM+EP
Executive Power	Government and Administration	EC + administrations of the members
Judicial Power	Constitutional Court	European Court of Justice

Nature of the European Integration Process

- The European integration is not a process with a constant speed of integration. There were times of rapid moves as well as times of small steps and times of stagnation.
- The European Integration is an asymmetric process that leads to the integration and supranational regulation of certain policies and areas (Common Market). Other policies are left in national hands of the member states governments.
- The European integration is not exclusively driven by the will for integration of the supranational bodies (Commission and EP). The national demands in intergovernmental bargainings can also initiate dynamics of integration.
- All in all, the process of European integration is driven by the opposing forces of supranational interests and implementation modes and intergovernmental decision making process.

Primary Law I: The Rome Treaties

- **Institutions:**
 - ▶ The High Authority of CEEC was transformed into the European Commission with executive power to implement European laws.
 - ▶ The European Council of Ministers obtained the function of a legislative body, having the authority to pass European laws.
 - ▶ The Court of Justice has the function to judge on how far European rules and laws go.
 - ▶ The Parliamentary Assembly had the right to debate but not to reject the conclusions of the Commission.

Primari Law I (continued):The Rome Treaties

- Policy aims:
 - ▶ The customs union included the step-by-step removal of customs and other non-tariff trade barriers between the member states.
At the same time a common custom for trade with third countries was introduced.
 - ▶ The creation of a Common Market intended to assure full freedom for capital, persons and services.
This meant to coordinate and harmonize all policies dealing with these issues.

Primary Law II: Aims of the Single European Act (1987)

- The completion of the Common Market until 1992, i.e. the removal of all barriers for a real free European market.
- The introduction of a qualified majority voting in the Council of Ministers on all affairs of the Common Market and more rights for the EP.
- The incorporation of the European Political Coordination in foreign affairs into the EC treaty.
- The introduction of some new competencies for the EC in the areas of:
 - ▶ research and development
 - ▶ social policy
 - ▶ environment

Primary Law III: Governmental conferences and Treaties from the 1990s until today

- In 1993 the Maastricht treaty came into force. It founded the EUROPEAN UNION by replacing the funding treaties by a more complex treaty for all policies of the EU.
- In 1999 the Amsterdam treaty came into force reforming the Maastricht treaty.
- In 2003 the Nice treaty reformed the Amsterdam treaty.
- In 2004 Draft of the Constitution Treaty (signed in October 2004 but rejected by France and the Netherlands in 2005 and therefore not in force)
- Planned for 18/19 October 2007: agreement on the Reform Treaty on the Lisbon summit

Secondary Law: Decisions, Regulations and Directives

- Decisions address to particular legal actors and bind them
- Regulations need no national legislation and are directly binding them
- Directives are the most used form of Secondary Law and need an national legislation to implement them; the realization of national legislation to reach the aims of the directive are binding

Complexity of EU system + its problems

- The EU is a multi level system with
 - ▶ interlocking levels of policy making,
 - ▶ interlocking policies and
 - ▶ interlocking actors
 - Result: lack of transparency and identification of responsible actors
- The EU is a concordant system that tends to
 - ▶ a consensus decision mode, anticipating the veto positions of single member states,
 - ▶ bargaining and package deals, avoiding confrontations of contradictional national interests and
 - ▶ be a consensus machine for different interests
 - Result: political interests and projects are often alienated.

Complexity of EU system + its problems

- The EU is a dynamic process with
 - ▶ phases of deepening of integration in the sense of including more and more political issues and with
 - ▶ phases of enlargement with growth of territory and members.
 - Result: risk of institutional overstretch