

# IMPROVEMENTS OF EUROPEAN GOVERNANCE AFTER THE LISBON TREATY

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**Abstract:** *The European Union is a complex integration structure based on 27 member-states. These member-states are very different – culturally, historically, and with different levels of economic development. During its evolution, the European Union has had to adapt an initial decisional system to six stages of enlargement, so some of its treaties had specific institutional stipulations. One of the most important ones is the Lisbon Treaty which tried to finalize a process that became very challenging in the last 15-20 years.*

**Key words:** *European governance, majority, minority, stages of integration, Common Market, Single Market.*

## 1. Introduction

The European Union started from a simple integration structure to a complex, numerous and developed one.

Its first objective was to survey the coal and steel production, not the specific objective of creating an integration structure (as most structures declare from the beginning).

The European Coal and Steel Community (ECSC) was created by the Treaty from Paris (1951) and signed by six states: France, Germany, Italy, and the BENELUX countries. The ECSC's institutional system consisted of 5 institutions (The Parliamentary Assembly, The Commission, The Council of Ministers, The Court of Justice, The Economic and Social Committee) with a few attributions.

Today, the Community has 27 member-states, it has declared economic, social, monetary and political objectives. The

European Union's institutional system consists of a large number of institutions and agencies, which try to ensure a proper, optimal and honest governance to a heterogeneous population with specific needs.

## 2. Objectives

How did the European Community adapt its institutional system to the needs requested by its evolution?

This challenge was high because of at least two types of reasons:

- a.the evolution of the Community regarding the member-states
- b.the evolution of the Community regarding the stages of integration

The first reason implies a lot of consequences, given the fact that only in the two latest enlargement phases the European Union doubled its population. This phenomenon has a lot of institutional

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consequences:

- some over-numbered institutions (especially The Commission and The European Parliament)
- the permanent increasing costs regarding the institutions activity
- some new proportions regarding the forces in the decisional system (majority and minority)

The second reason is important regarding the fact that new objectives related to the evolutional process from the common market to the single market implied the necessity of developing an institutional system which should be able to respond to these needs.

This article follows these discussion lines trying to analyse how the European institutional system developed and adapted

itself to all these challenges.

The Lisbon Treaty is the latest one with stipulations regarding the institutional system of the European Union. It introduced some new prerogatives from the existing institutions, recognized some new prerogatives and institutions and established the role of the institutions in the decisional system.

### 3. Material and Methods

To notify the evolution of the European Community we will analyse the impact of this evolution on two directions:

1. the evolution regarding the member-states

The process could be represented as follows:

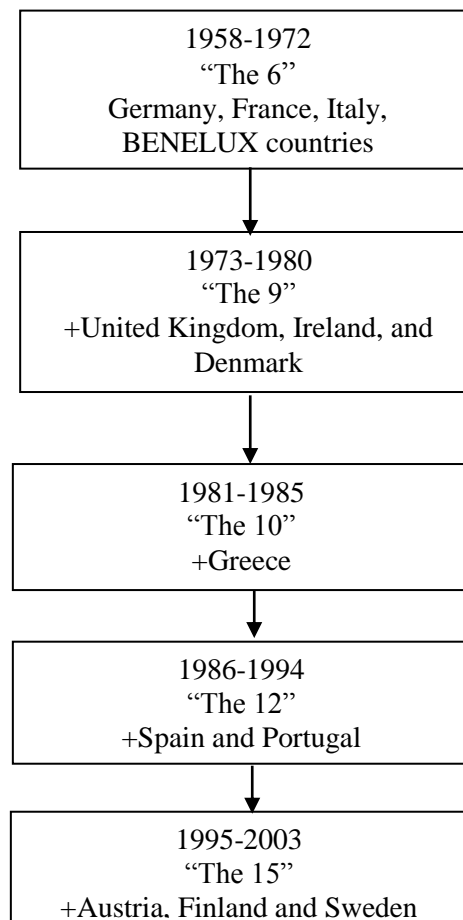




Fig. 1. *Community evolution by member-states*

In this evolution from 6 to 27, some important issues should be pointed out.

First of all, some institutions were over-dimensioned. For instance, the Parliament started with 72 members (ECSC) and, at the moment of the latest enlargement, it had 782 members. Of course a logical question should be asked: “What would happen in the next phases of enlargement?”

In the second place, the costs requested by the institutions have an increasing trend. For instance, in 2000 the expenditure for administration was 4.56 billions euro (5.1% of total expenditure). In 2006, the expenditure for administration reached 5.1 billion euros and in 2013 it is 8.4 billion (equivalent to 6% of the total expenditure). Compared to 2012, this represents a 1% reduction in staff level. (from an estimated 5% of staff reduction

over five years).

What should be the solution to solve all these problems? Could a maximum number of members in some institutions be the solution?

In the third place, the decision-making process involves some proportions related to specific elements. We may mention different types of majorities in the Council. In 2002, 62 votes (out of 87) were necessary to obtain the majority, given the condition of the quorum of 2/3 of the member-states (10 countries from 15). From the total number of votes, the big states (Germany, France, Italy, the United Kingdom and Spain) had 48 votes and the small states had 39 votes. Therefore, none of the member-states category had enough votes to reach the qualified majority.

A comparative analysis shows us the following:

*Majority and blocking minority*

Table 1

	«The 15» - 2000	«The 15»- Nice (2001)	«The 27»
Total number of votes	87 = 100	237 = 100	345 = 100
Qualified majority	62 = 71,3	169 = 71,3	258 = 74,8
Blocking minority	26 = 28,7	69 = 28,7	91 = 25,2

2.the evolution regarding the stages of integration

During its evolution, the European Community passed through two stages of integration: the common market and the

single market. We may appreciate that now some of the political integration stage's are achieved. The process may be presented as follows:

*European Community stages of integration*

Table 2

<b>Community</b>	<b>Integration stage</b>
European Coal and Steel Community	-
European Economic Community and EURATOM	Common market
European Community	Single market
European Union	Single market and political union

What are the implications of these objectives at the institutional level? The European institutions are responsible for all these stages objectives in their specific ways. For instance, the European Council sets the guiding and strategic lines, the Commission has the initiative and supervises the policy implementation, the Council of Ministers decides as regards the economic aspects etc.

#### 4. Results and Discussions

As we have presented, the European Union is one of the most developed integration structures in the world.

What are the consequences of this development?

The most simple (and this does not mean inferior stages) integration structure in the world has only a few objectives. NAFTA (North American Free Trade Area), for instance, has a simple institutional system:

- the Free Trade Commission – trade ministers of the member-states
- NAFTA Committees and working groups
- the Secretary
- the Commission for the cooperation in labour

- the Commission for the cooperation in environmental aspects
- the North-American Development Bank
- the Commission for the cooperation in environmental aspects with the neighbours

But NAFTA's objectives focus especially on the economic aspects (specific to a free trade area integration structure):

- Promoting the loyal competition between the participants
- Creating opportunities for investments between the participants
- Creating mechanisms for implementation
- Creating opportunities for other states accession.

Compared to this, the European Union is another type of integration structure (economic and monetary union on its way to achieve the political integration) with the following declared objectives:

- Economic union
- Monetary union
- Political union

Its institutional system is numerous and complex and could be represented as follows:

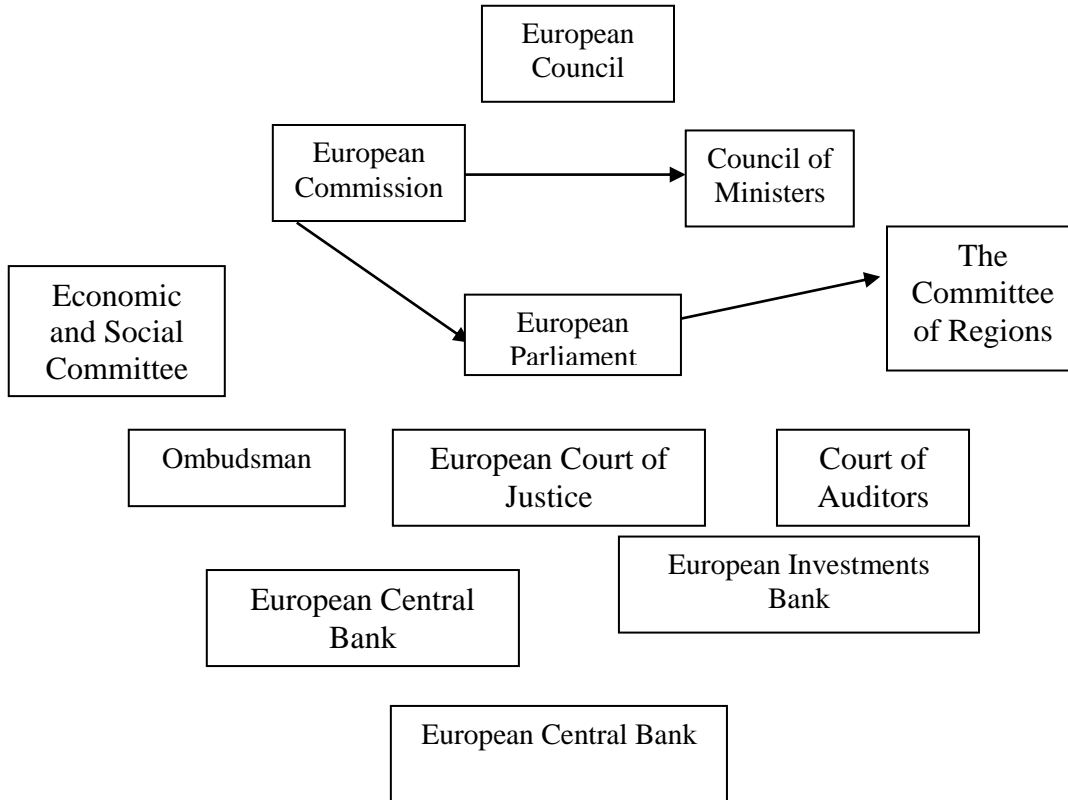


Fig. 2. *The institutional system of the European Union*

To make this complex system work, it is imperative to establish and specify the attributes for each institution exactly and to create the right connections between them.

One of the most important reforming treaty in the European Union’s history was the Nice Treaty (2001). Its importance consists especially of the reforming contribution, related to the enlargement of

the European Union.

The latest treaty having an institutional impact is the Lisbon Treaty (2009). Its institutional aspects are focused especially on establishing the roles of the existing institutions and creating new institutions.

To comprise all these aspects, we will try to compare some provisions for the main institutions:

*Nice Treaty and Lisbon Treaty – institutional aspects*

Table 3

Institution	Nice Treaty	Lisbon Treaty
European Council	-	<ul style="list-style-type: none"> <li>• Recognizes the European Council as an European institution</li> <li>• Establishes its roles (general political direction and priorities)</li> <li>• Creates a new position in the Council – the President with specific attributes</li> </ul>

<b>Institution</b>	<b>Nice Treaty</b>	<b>Lisbon Treaty</b>
European Commission	<ul style="list-style-type: none"> <li>Establishes a principle of determining the number of commissioners (according to this, there will be a smaller number of commissioners than member-states, based on a rotation system, starting with the date when the European Union has 27 members)</li> </ul>	<ul style="list-style-type: none"> <li>Establishes its roles (coordination, execution and administrative role)</li> <li>Establishes the number of commissioners on two stages (until the 31<sup>st</sup> of October 2014 – one member for each member-state; from the first of November 2014 – the number of commissioners will represent 2/3 of the member-states )</li> </ul>
European Parliament	<ul style="list-style-type: none"> <li>It has maximum 732 members (with some temporary exceptions)</li> </ul>	<ul style="list-style-type: none"> <li>It has legislative and budgetary role (with the Council of Ministers)</li> <li>It has maximum 750 members</li> </ul>
The Council of Ministers	<ul style="list-style-type: none"> <li>The majority is established (169 votes representing 62% of the population)</li> </ul>	<ul style="list-style-type: none"> <li>It has legislative and budgetary role (with the Parliament)</li> <li>It created a new function, the High Representative for Foreign Affairs and Security Policy</li> </ul>

## 5. Conclusions

Today, the European Union represents one of the most important integration structures in the world, regarding the member-states (27 and from the first of

July 2014 - 28), the integration stage (economic and monetary union with political objectives) and the population (almost 500 million citizens)

To ensure a governance system to such a complex structure is a very courageous objective to achieve. That is why, especially over the last 15-20 years the Community has had a visible preoccupation for institutional aspects.

After the Lisbon Treaty, the European Union has succeeded in defining and improving an existing institutional system, according to the new objectives of the Community.

The most important role of the Lisbon Treaty is that it finalized a process started in 1951 (by the creation of the primary European institutions) and improved especially in the last 15-20 years (when the new challenges forced the Community to adapt).

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