



Soós Edit

European Public Policy

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Lesson 5

European Public Policy in the context of supranationalism and intergovernmentalism

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INVESTING IN YOUR FUTURE

Widening and Deepening

The European Union and its integration process have faced several new challenges in the last decades. In order to overcome the historical division of the European continent, European integration was offered not only to Western European countries but also the Central and Eastern European countries. Enlargement challenges all aspects of existing EU policy from agriculture to social policy. Enlargement has not just expanded the single market but places new demands upon public policy developments. Reform is therefore predicated but carries its own challenges as the balance of interests inherent in existing policy provisions, for example, in agriculture subsidies or social welfare.

The EU's enlargement policy aims to unite European countries, based on democratic values and subject to strict conditions. Enlargement has proved to be one of the most successful tools in promoting political, economic and societal reforms, and in consolidating peace, stability and democracy across the continent.

The widening process of the EU takes place with the accession of Austria, Finland, and Sweden, in January 1995, and the accession of Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, and Slovenia in May 2004. The Eastern enlargement brought ten new member states into the EU, which that time included fifteen member states. This so-called 'big bang' enlargement was of fundamental historical importance and inevitably increased the diversity and complexity of the EU. January 2007, incorporation of Bulgaria and Romania into the EU, merely further extended this historical enlargement. By necessity, these two waves in the widening process were also geopolitical responses from the political elites of the old member states of the EU to new developments in Central and Eastern Europe. Croatia became the 28th member of the European Union on 1 July 2013, after it started the accession talks on 3 October 2005.¹

The Treaty of Rome (1957) itself did not refer to democratic conditionality on Article 237 which states that *'Any European State may apply to become a member of the Community. It shall address its application to the Council, which shall act unanimously after obtaining the opinion of the Commission. The conditions of admission and the adjustments to this Treaty necessitated thereby shall be the subject of an agreement between the Member States and the applicant State'*.

¹ Brexit: According to Article 50 (1) of the TEU *'Any Member State may decide to withdraw from the Union in accordance with its own constitutional requirements'* referendum was held on 23 June 2016 to decide whether the United Kingdom should leave or remain in the European Union. Leave won by 51.9% to 48.1%. The referendum turnout was 71.8%, with more than 30 million people voting. Brexit talks started on 19 June, 2017.



The **Copenhagen European Council meeting of June 1993** recognises the weakness of the European integration process and established three general criteria for evaluations of accession candidates.

1. The stability of institutions of democracy, the rule of law, human rights and respect for the protection of minorities;
2. The existence of the functioning market economy as well as the capacity to cope with competitive pressures and market forces within the EU;
3. The ability to assume the obligations of membership, including adherence to the aims of political, economic and monetary union.

These criteria have to facilitate political pressures on candidate countries in order to realise a minimum homogeneity across the enlarging EU, in terms of certain essential political, economic and other affairs.

The change arrived in 1997 when the European Commission initiated an evaluation of the candidate countries' progress in annual reports. Thus, in 1997 the Council specified the following prerequisites:

- representative government, accountable executive;
- government and public authorities to act in a manner consistent with the constitution and the law;
- separation of powers;
- free and fair elections at reasonable intervals by secret ballot.

Although rather general, these prerequisites served as an indication for reforms and were supplemented by other documents. The most detailed reference to democracy as an element of the Copenhagen political criteria was provided by the Commission's 'Agenda 2000'.

The enlargement process presented the EU with the difficult task of balancing the various demands of **widening** (enlargement) and **deepening** (support for a Treaty establishing a Constitution for Europe). Enlargement also has implications for the de facto and de jure constitutional organization of the Union. The rejection by the French and Dutch electorates in 2005 of the proposed European Constitution effectively ended its political viability. Following the rejection of a Treaty establishing a Constitution for Europe the Eurosceptic polities of Austria, Denmark, the UK, and Sweden opposed the widening as well as the deepening of the EU.

It is in the context of a general debate about the process of deepening and widening the EU that the question was raised of how to deal with the new neighbors following EU Eastern enlargement – in particular – Ukraine, Belarus and Moldova.

Practices of differentiated integration in the EU emerged as a crucial aspect of the institutional and procedural building of the EU. The political elites and politics of the enlarged EU are confronted with increasing diversity among members.

Governance of European Public Policy

Public policy is an attempt by a government to address a public issue by instituting laws, regulations, decisions or actions pertinent to the societal, political or economic problems that a significant number of people and groups consider to be important and in need of a solution. **The EU is governed by several institutions.** They do not correspond exactly to the traditional branches of government or division of power in representative democracies.² These institutions embody the EU's dual **supranational and intergovernmental character**. The Union has an institutional framework which shall aim to promote its values, advance its objectives, serve its interests, those of its citizens and those of the member states, and ensure the consistency, effectiveness and continuity of its policies and actions.

² The EU deviates in important ways from the institutional set-up of modern democracies, the horizontal division of powers of the state. The legislature ('parliament') endowed with the competency to make legislation. The executive branch is in charge of implementing public policy and has the authority to administer the bureaucracy. The judiciary is composed of the various levels of courts (supreme or constitutional court as a court of final appeal) that interpret and apply the law and resolve disputes.

Nature of the European Union

Supranationalism and Intergovernmentalism

Since the very beginning in the 1950s, the rationale of the European integration process has largely been seen in ideas considering the integration of the European market economy. But, the integration is not only the question of a functioning market, efficiency, organisation and growing interdependence: it is also one of human values, goals and attitudes towards power relations.

There is a necessarily balance in the European integration process between **functional integration**, directed at the creation of an effective **common market** and **normative integration**, orientated at articulations of broader, **socio-cultural changes in the existing plurality of national, regional and local cultures and identities**, and stresses the importance of mutual tolerance among the polities of the enlarged EU.

Table 1: Approaches of the European integration

Supranational approaches	Intergovernmental approaches
The incremental integration process is leading to increasing authority at the EU level and is largely based on the neo-functionalist spillover idea of positive feedbacks enhancing further economic and political integration	Member states remain largely sovereign and can protect their national interests; EU integration is understood in terms of a succession of bargaining processes among member states.
EU institutions become autonomous political actors; deepening economic integration creates the need for further EU institutionalisation required by increasing regulation complexity.	The EU institutions enable and assist bargaining processes among member states; the role of the technocratic and political elites and domestic politics is important.
The EU legislation provides effective constraints for the policy-making and decision-making of individual member states.	The EU forms a framework for the execution of inter-state politics by alternative means of intergovernmental treaty reforms, policy-making and budgetary agreements.
Integration is driven by institutional dynamics which is based on functional pressure arising primarily from economic interests.	Negotiation processes reflect the interests of the member states; interstate bargain can lead to positive-sum outcomes.
A new polity above the member state level is gradually emerging and tending to constitute an EU-wide polity.	EU legislation reflects the interests of the most powerful member states (usually those of Germany and France)

Source: Dostál, P.: Risk of a Stalemate in the European Union. 2010. p. 21.

Among the competing theories and approaches, a significant consensus has emerged around the importance of institutions. The institutional analysis is well suited to addressing a defining characteristic of the European Public Policy. There are two major approaches are considered:

First, **supranational approaches**, which conceptualise the EU as a structure of supranational institutions that are political actors.

Second, **intergovernmental approaches** are considered. These claim that member states are the key actors in the integration process and the supranational institutions such as the European Commission, the European Parliament and the Council only assist and facilitate bargaining processes among the member states. Moreover, these approaches emphasise the fact that EU law reflects the interests of the most powerful states.



Supranational approaches

Supranational approaches are based upon the assertion that integration theory, in relation to the EU has to be focused on the establishment of **supranational institutions** and their associated procedures, which have their own important tasks and competences of policy-making. The feature of the supranational perspective is that it uses views of a federal system as norms for evaluations of EU developments.

Emphasis is placed on the capacity of EU institutional actors to enforce some decisions and procedures on member states. According to the supranational approaches gradualism is emphasised in the European integration process:

1. **Gradual increase of competencies focused on responsibilities in specific fields of common EU institutions** including broader sectors of socio-economic and political affairs: initial economic integration tends to create two types of pressure to widen the scope and intensity of integration: in order to facilitate the extension of existing gains, political spillovers result in the creation of supranational actors, who tend to favor more intensive integration.

Such approaches tend also to claim that the EU legislation reflects the particular interests of the most powerful countries. EU institutional actors assist and facilitate bargaining among national governments, so there is an interaction between national governments and the EU institutional actors.

The intergovernmental perspectives stress the importance of state-centric formulations and they present more realistic views concerning the EU institutional and procedural development. Intergovernmental perspective takes national preference articulations and strategic bargaining processes among EU countries into its central considerations. The general intergovernmental perspective claims that national political interests are articulated in the EU member states through domestic political debates and contestations. The EU is perceived as the provider of a framework for realisation in inter-state politics by different means of policy-making. Further, such approaches claim that supranational laws reflect the articulated interests of the most powerful member states.

What applies to institutions also applies to policies. Supranational policies are political programmes that rise above their national equivalents. An example of this is the Economic and Monetary Union (EMU), where the EU's single currency, the euro, replaces national currencies. On the other hand, intergovernmentalism seeks to minimise the creation of new institutions and policies but prefers to conduct European integration through co-operation between national governments. This approach is illustrated in the realm of foreign policy. The EU does not have a foreign minister.

The European Union is certainly more than an international organisation, but in terms of political authority, it still cannot compete with a 'normal' state. Indeed institutional relations within the **EU represent a carefully struck balance between intergovernmental and supranational forces.**

The general framework of the European Community as a polity has been in place since the 1950s. Its institutional arrangements include **bureaucratic/administrative (European Commission), democratic representation (European Parliament), legislative with national representation (the Council), judicial (Court of Justice of the European Union) and intergovernmental negotiative (European Council) institutions.**³

³ Jachtenfuchs, Markus: The institutional fraework of the European Union. In: Handbook on Multi-level governance. Ed. (Henrik Enderlein, Sonja Wälti, Michael Zürn) Edward Elgar, Cheltenham, UK Northampton, MA, USA, 2010. p. 206.

Integration varies over time, place and policy area and may rely as much on intergovernmental diplomacy and multilevel governance as on Treaties, and all approaches appear as likely to succeed in different times and different contexts and all areas evasive of the control of individual national governments.

QUESTIONS

1. Explain *de facto* and *de jure* sovereignty and the pooling of sovereignty!
2. Outline the meaning of 'Widening and Deepening'!
3. Define the essential conditions that all candidate countries must satisfy to become a member state!
4. What is the difference between intergovernmentalism and supranationalism?
5. Explain the dynamics of supranationalism and its advantages and disadvantages.
6. Why aren't all European countries members of the EU?

Further Readings

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