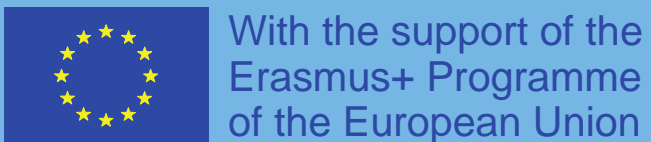


# Jean Monnet Module

## “Economic Policy in the European Union”

Session 1.3. The European Union and its functioning

Dr Óliver Soto Sainz



# RECAP OF SESSION 1.2.

1. The idea of a united Europe
2. The first experiments
3. The precursor institutions of the European Union
4. The successive enlargements of the European Union

# INDEX

1. The treaties framework
2. The European Union as a political system
3. The institutional framework of the European Union
  - European Commission
  - European Parliament
  - Council of the EU and European Council
  - Court of Justice
  - Other institutions
4. Institutions and political actors
5. Policies of the EU

# 1. THE TREATY FRAMEWORK



1952

The European Coal and Steel Community

1958

Treaties of Rome:

- European Economic Community
- European Atomic Energy Community (EURATOM)

1987

Single European Act: single market

1993

Treaty on European Union - Maastricht

1999

Treaty of Amsterdam

2003

Treaty of Nice

2009

Treaty of Lisbon

# EVOLUTION OF EUROPEAN INSTITUTIONS

- Most important changes until 1979
  - Merger Treaty (1965)
  - End the triplicity of institutions: a European Commission, a Parliament, a Council, a Court of Justice.
  - Treaty amending budgetary provisions (1970): own resources
  - Creation of the European Council (1974)
    - It is incorporated into the Treaties with the Single Act. It gives "general political orientations" and the "impetus" for integration.
  - European Parliament elected by universal suffrage (1979)

# THE QUALITATIVE JUMP FROM MAASTRICHT

The jump from the European Communities to the European Union

The inclusion of the notion of citizenship

A European Union on three pillars

- Community scope
- PESC
- Police and judicial cooperation



# CURRENT CONFIGURATION

Complex configuration resulting from the failure of the Treaty establishing a Constitution for Europe, also known as the European Constitution or Constitutional Treaty

Treaty of the European Union (TEU):

- It is the base text that contains its constitutional principles
- It includes the basic principles articulated in the Maastricht Treaty

Treaty on the Functioning of the European Union (TFEU)

- Contains the methodology and legal-political gear collected by the European Communities
- Articulates the community method
- Sets most of the policies carried out by the EU

## 2. THE EUROPEAN UNION AS A POLITICAL SYSTEM

Previous considerations: legal and political approach

The debate on what the EU is: the legal perspective

- The EU as an international organization
- The EU as a supranational organization
- The EU as a Federal State in fieri



# THE EU AS AN INTERNATIONAL ORGANIZATION

An international organization is "an association of states, established by agreement among its members and endowed with a permanent apparatus of organs, charged with pursuing the achievement of objectives of common interest through cooperation among them" (Virally, cited in Calduch , 1991).

This definition rests on the following points:

- Existence of a permanent organ apparatus
- Decisional and functional autonomy Interstate base
- Voluntary foundation
- Interstate cooperation function

Calduch, R. (1991): *Relaciones internacionales*, Estudios Sociales, Madrid.

# THE EU AS A SUPRANATIONAL ORGANIZATION

The concept of international organization evolves as a result of integration practices

A distinction is made between organizations whose legal system enjoys supremacy over national legal systems. It is noted:

- Intergovernmental organizations
- Supranational organizations

# THE EU AS A FEDERAL STATE *IN FIERI*

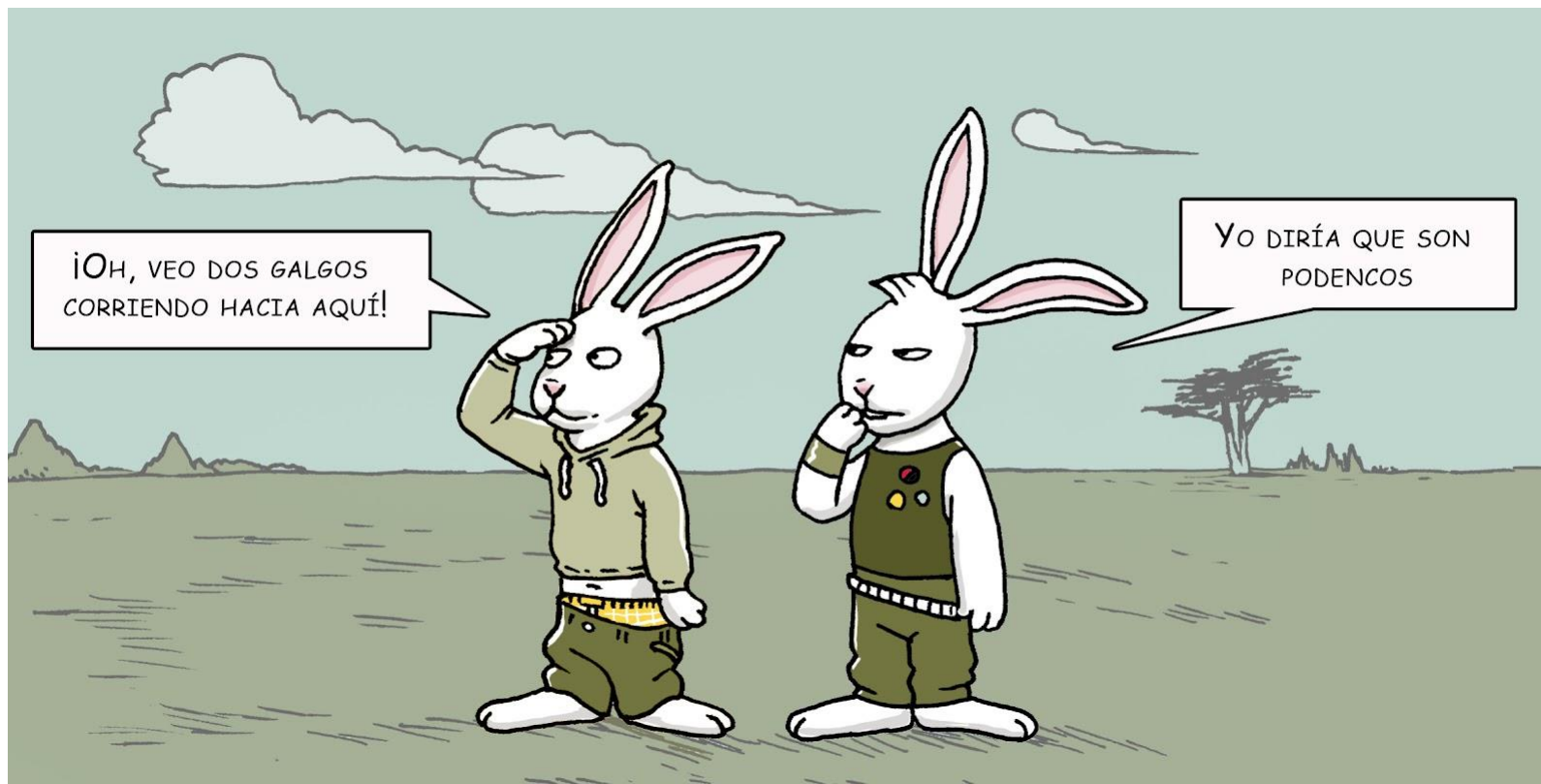
According to Weber, the State is “that human community that, within a given territory (the “ territory ”is a distinctive element), claims (successfully) for itself the monopoly of legitimate physical violence. What is specific about our time is that all other associations and individuals are only granted the right to physical violence to the extent that the state allows it. “

The attributes of the State are:

- Population
- Territory
- Government (political power)

# THE EU AS AN “UNIDENTIFIED LEGAL OBJECT”

The debate on what the EU is, what does it bring?



# THE EUROPEAN UNION AS A POLITICAL SYSTEM

- The use of the *system* concept allows us to identify the dynamics of operation, analyze them and be able to establish patterns of behavior
- The theoretical apparatus of systemic theory allows us to identify actors, institutions and interrelations in order to better understand the functioning of political realities

# WHAT IS A POLITICAL SYSTEM?

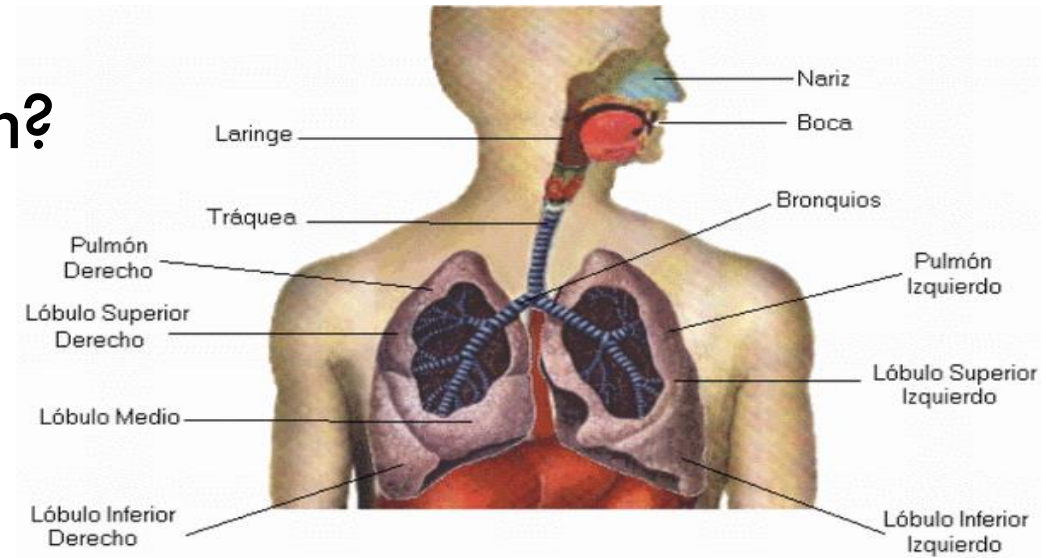
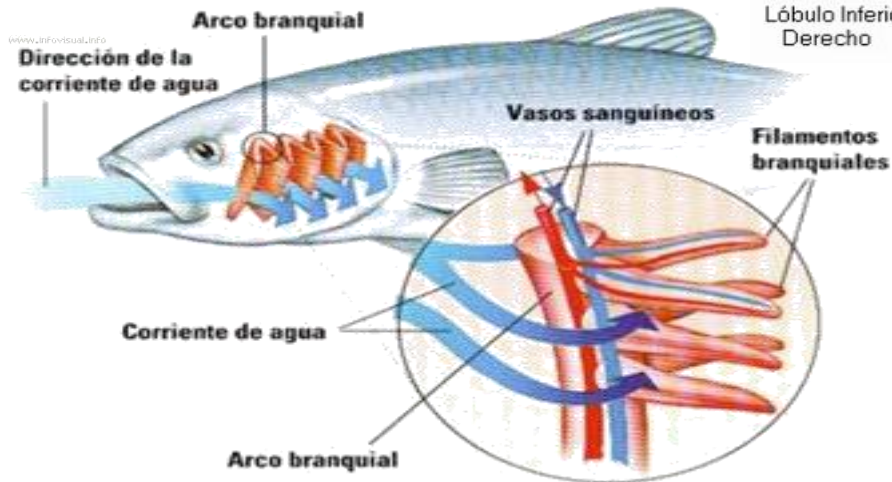
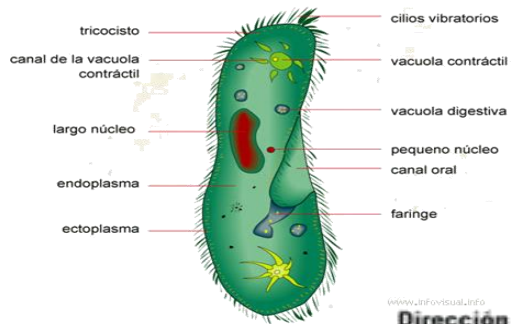
Easton (2006: 138)

*“A political system is the set of interaction guidelines by means of which values are assigned in a society, and that, most of the time, the members of a society mostly accept these assignments as authoritative”*

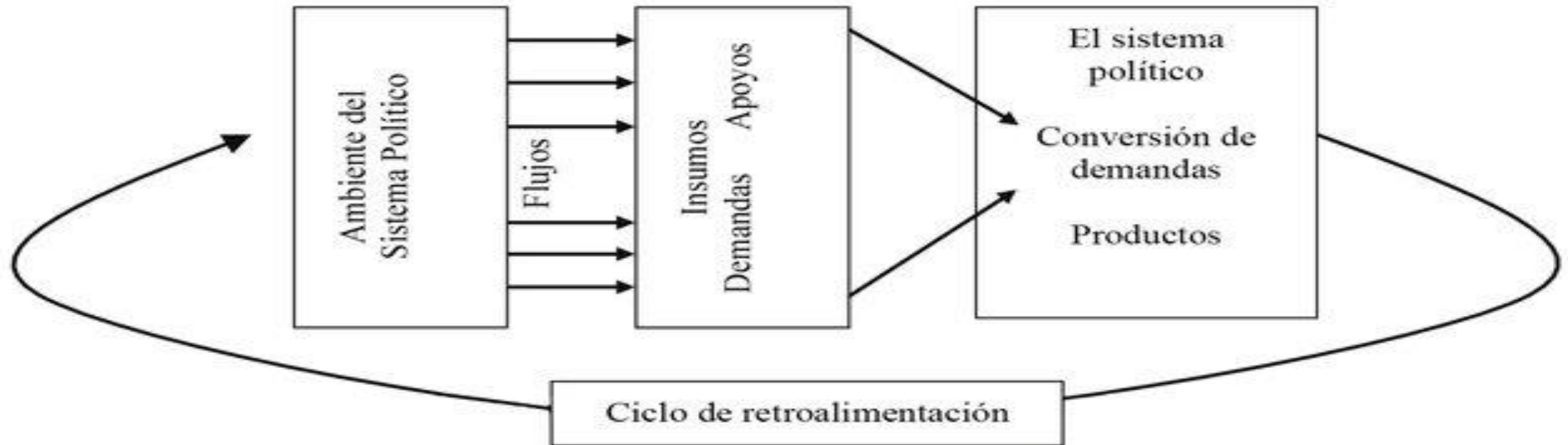
Easton, D. (2006): *Esquema para el análisis político*, Amorrortu editores, Buenos Aires.

# USEFULNESS OF THE SYSTEM CONCEPT

What do they have in common?



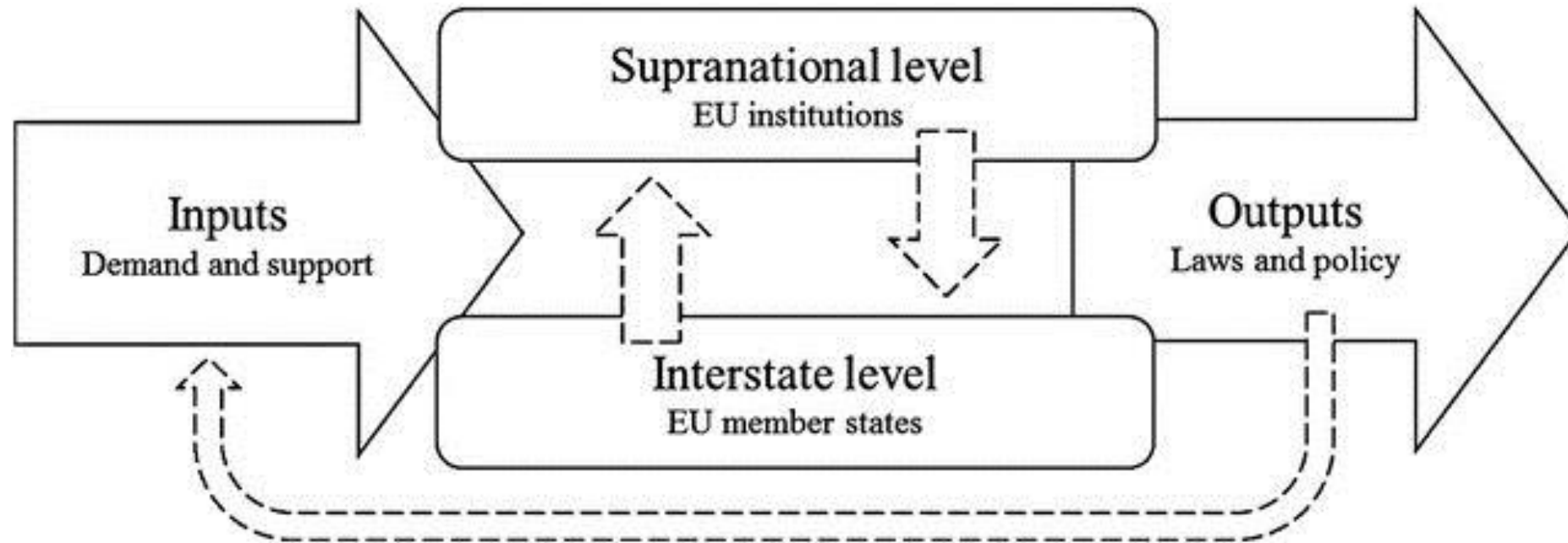
# WHAT IS A POLITICAL SYSTEM?



The three elements in a political system: *polity*, *politics* and *policy*



# THE EU AS A POLITICAL SYSTEM



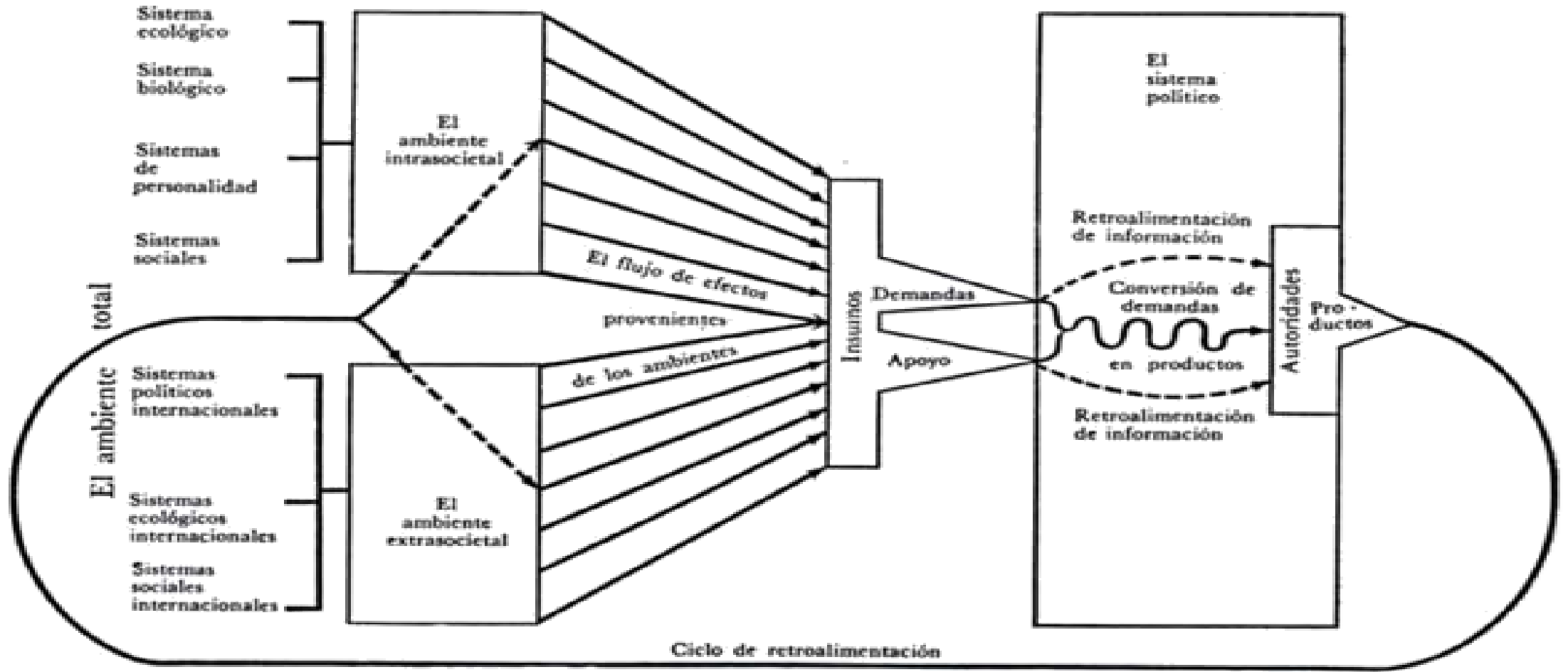
*Source: van der Veer y Haverland (2018)*

# THE EUROPEAN UNION AS A POLITICAL SYSTEM

Hix (2008: 580) explains why the EU is a political system:

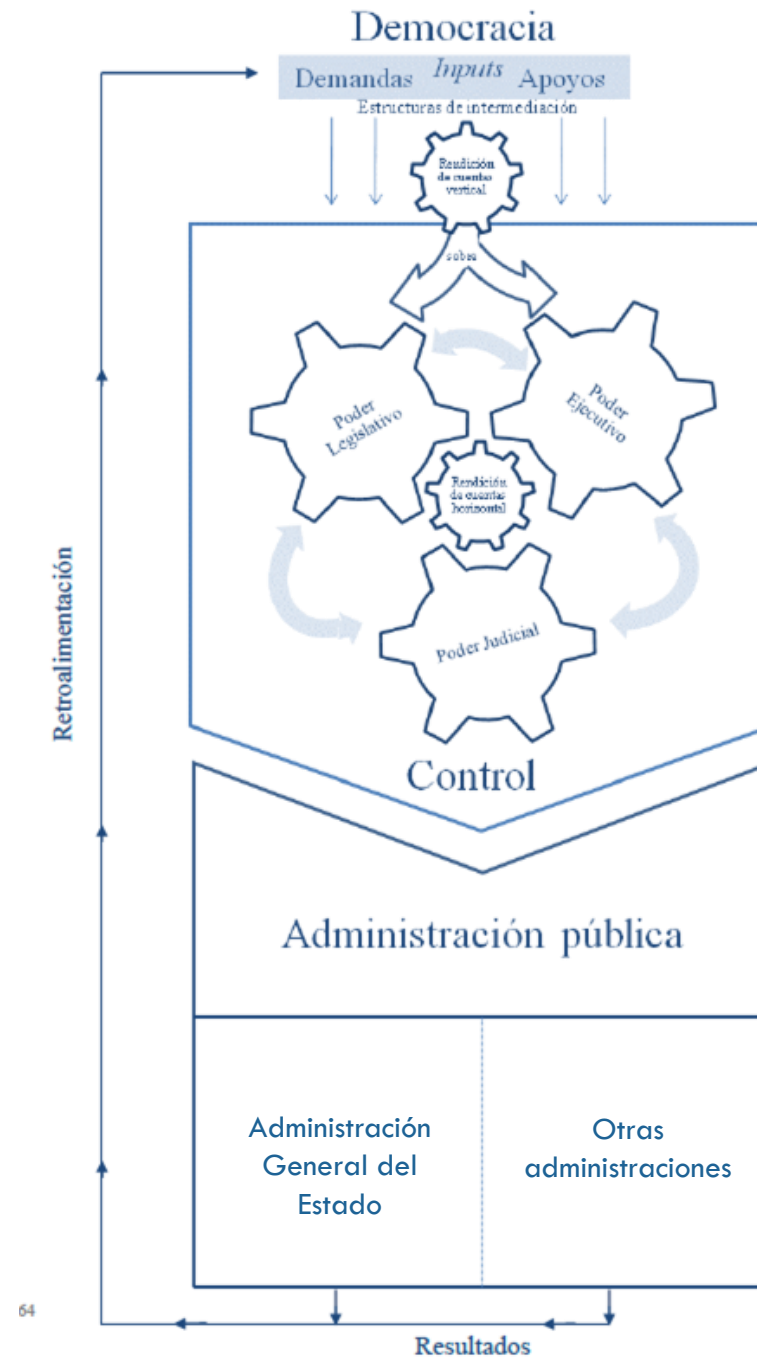
1. There is a defined set of institutions and a set of rules that govern the relationships between and within these institutions.
2. Citizens seek to achieve their political goals through the political system.
3. Collective decisions in the political system have an impact.
4. There is a continuous interaction between political outcomes and new demands on the system.

Hix, S. (2008): "The EU as a new political system", en Caramani, D. (ed.): Comparative Politics, Oxford University Press, Oxford, pp. 573-601.

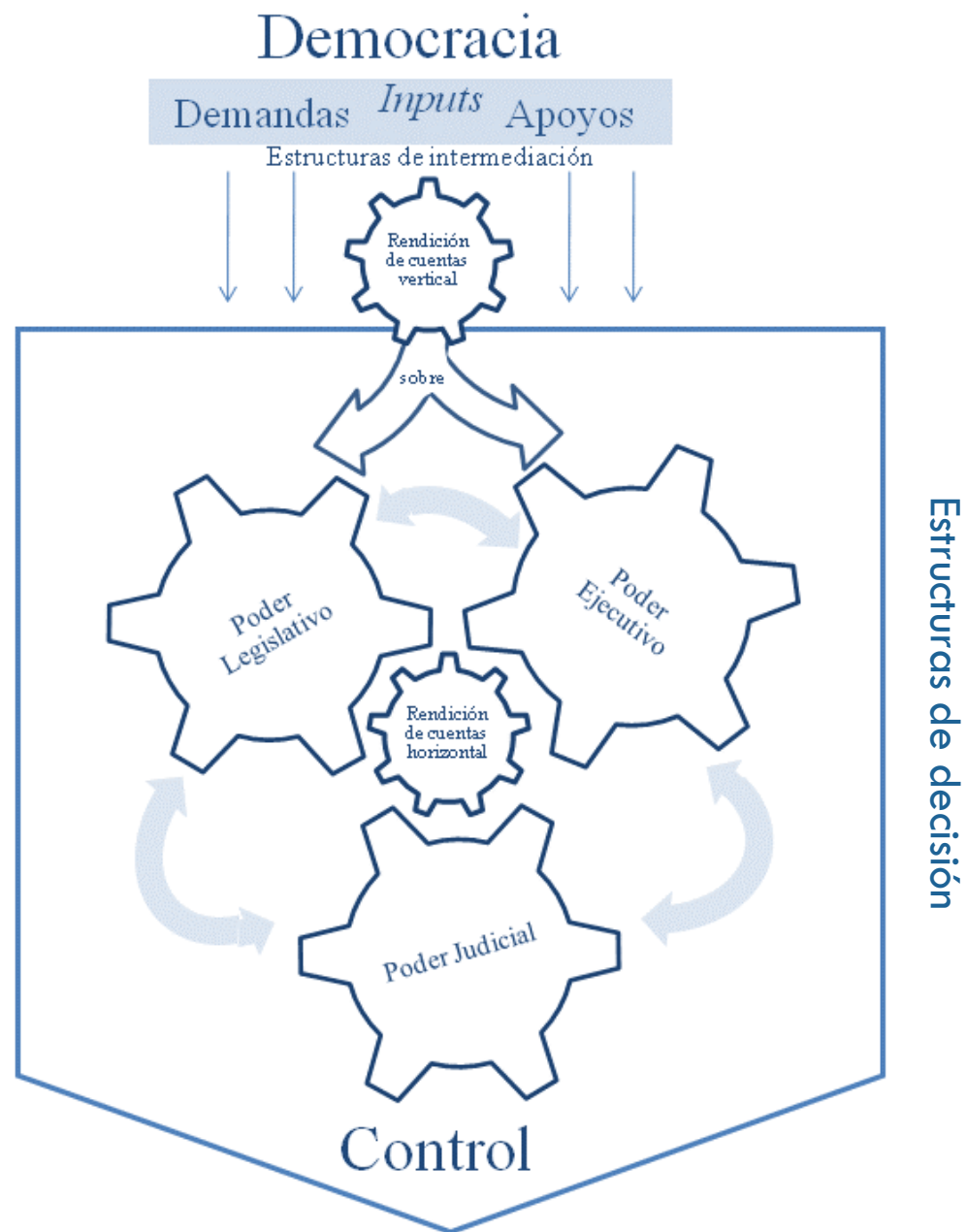


*Diagrama 2. Un modelo de sistema político de respuesta dinámica*

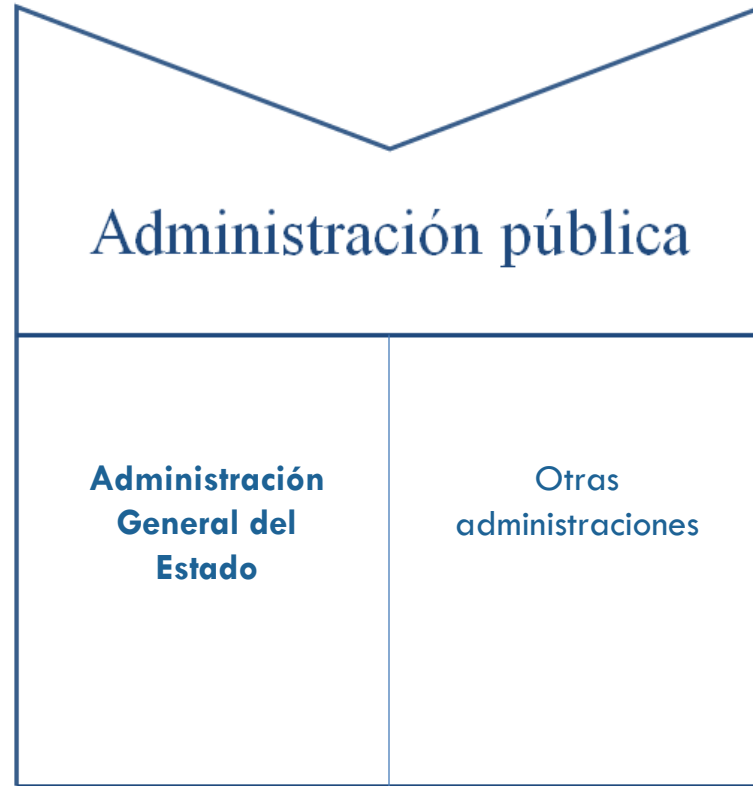
# INSIDE THE BLACK BOX



# DEMANDS TOWARDS THE POLITICAL SYSTEM

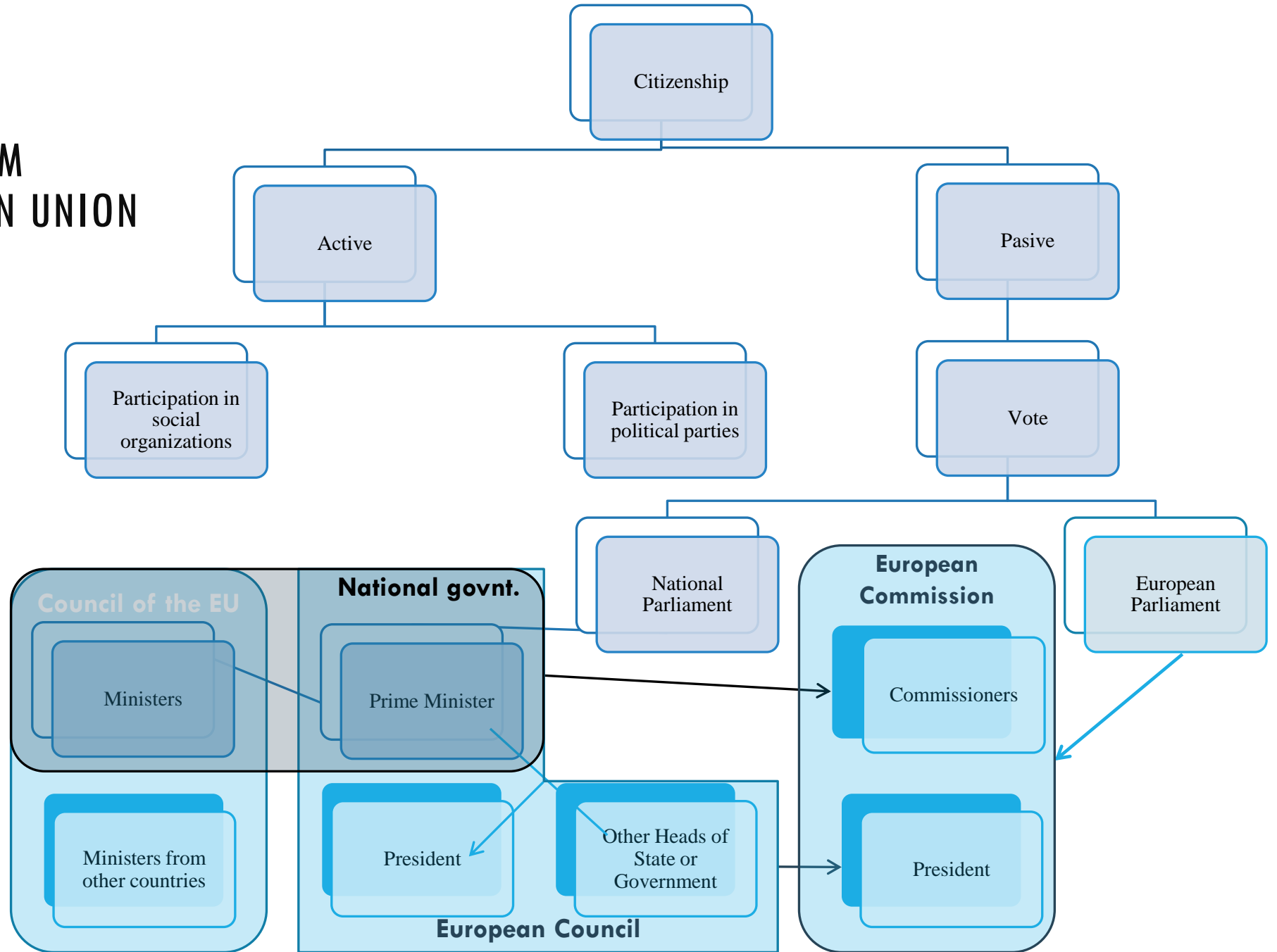


# RESULTS OF THE POLITICAL SYSTEM



Estructuras de ejecución

# SCHEME OF THE POLITICAL SYSTEM OF THE EUROPEAN UNION



# 3. THE INSTITUTIONAL FRAMEWORK

How to relate the political system and European institutions?

Which actors take part and what types of relationships do take place?



# THE CONSENSUAL MODEL OF EUROPEAN DEMOCRACY

According to Lijphart (2000), the consensual model of democracy is characterized by the following:

- 1) Division of the Executive Power into broad multi-party coalitions
- 2) Balance of power between executive and legislative
- 3) Multi-partyism
- 4) Proportional representation
- 5) Stakeholder corporatism
- 6) Federal and decentralized government
- 7) Strong bicameralism
- 8) Constitutional rigidity
- 9) Judicial review
- 10) Independence of the Central Bank

# INSTITUTIONS OF THE EU



# THE COMPETENCES OF THE EUROPEAN UNION

The European Union (EU) only has the powers conferred by the Treaties. The principle of attribution is specified in that:

- The EU can only act within the limits of the powers conferred by the EU countries in the Treaties to achieve the objectives set out therein.
- Competences not conferred on the EU through Treaties correspond to the EU countries.

The Lisbon Treaty establishes the division of competences between the EU and the Member States.

These competencies are divided into three main categories:

- Exclusive competences
- Shared competences
- Support competencies

# EXCLUSIVE COMPETENCES OF THE EU

It is regulated in article 3 of the Treaty on the Functioning of the European Union (TFEU)

In them, only the EU is capable of legislating and adopting binding acts.

EU countries can only do it themselves if the EU authorizes them to implement these acts.

The EU has exclusive competence in the following areas:

- customs union
- the establishment of the competition rules necessary for the functioning of the internal market;
- the monetary policy of the euro zone countries;
- the conservation of marine biological resources within the common fisheries policy;
- the common commercial policy
- the conclusion of international agreements under certain conditions.

# SHARED COMPETENCES OF THE EU

It is regulated in article 4 of the TFEU

The EU and EU countries both have the capacity to legislate and adopt legally binding acts. EU countries exercise their own competence in areas where the EU has not exercised its competence.

Shared competences between the EU and EU countries apply in the following areas:

- the internal market;
- social policy, but only in those aspects specifically defined in the Treaty;
- economic, social and territorial cohesion (regional policy);
- agriculture and fishing (except for the conservation of marine biological resources);
- environment;
- consumer protection;transport;
- trans-European networks;energy;
- the area of freedom, security and justice;
- shared security problems in public health, limited to the aspects defined in the TFEU;
- research, technological development, space; development cooperation and humanitarian aid.

# EU SUPPORT COMPETENCES

It is regulated in article 6 of the TFEU

The EU can only intervene to support, coordinate or complement the action of EU countries

The legally binding acts of the EU should not require the harmonization of the laws or regulations of the EU countries

Support competencies refer to the following areas of action:

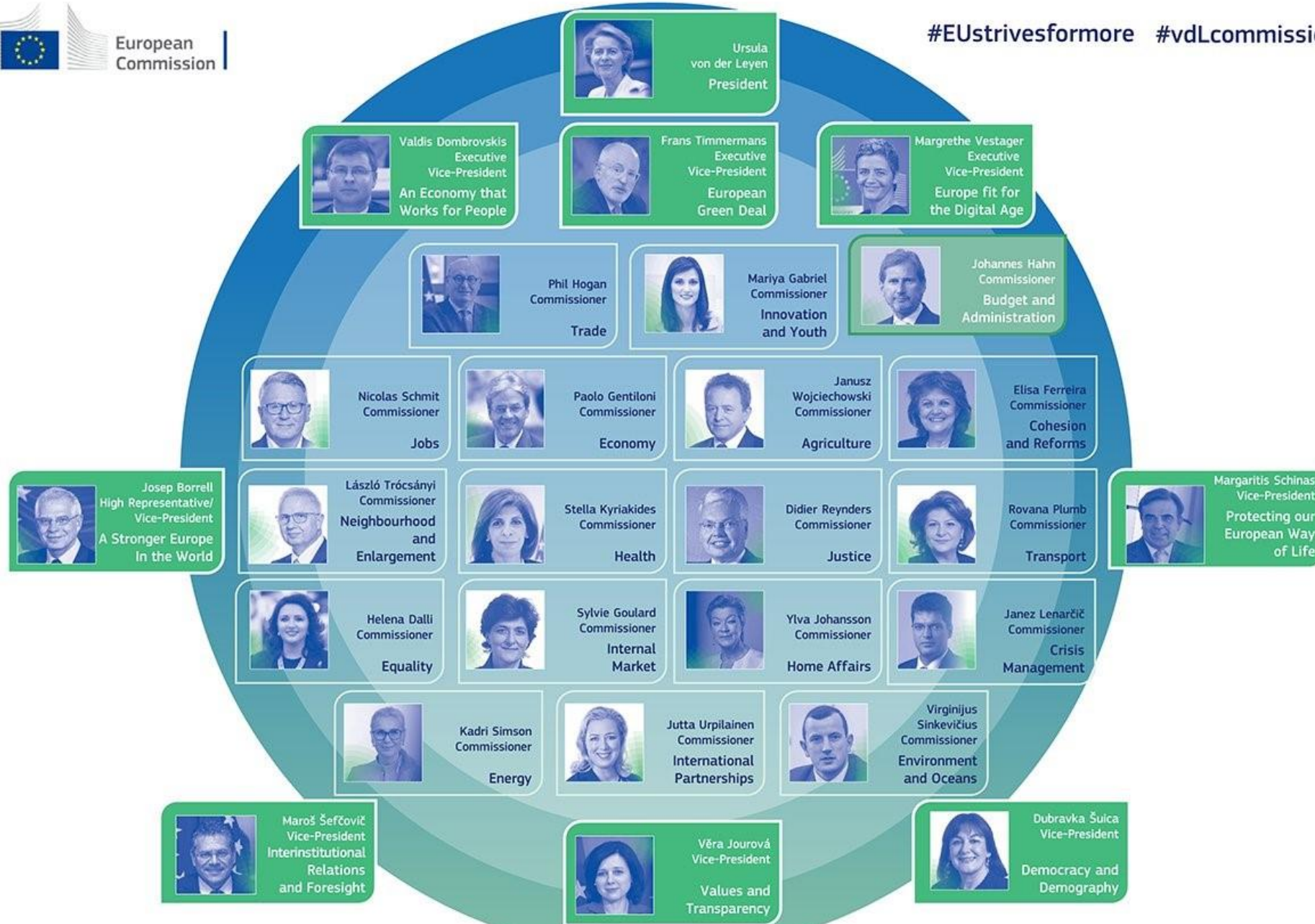
- the protection and improvement of human health;
- the industry;
- culture;
- tourism;
- education, vocational training, youth and sports;
- civil protection;
- administrative cooperation

# EUROPEAN COMMISSION

- Proposes legislation
- Executive body
- Guardian of the Treaties
- Represents the EU on the international arenas



El Colegio de Comisarios



A New Push for European Democracy



# EUROPEAN COMMISSION

It is the guardian of the treaties. She ensures the effective implementation of the laws of the Union, which is controlled and monitored together with the Court of Justice

Coordinates, executes and manages the policies of the Union

It is entrusted with the external representation of the Union, without prejudice to the powers of the President of the European Council and the High Representative of the Union for Foreign Affairs and Security Policy

# HIGH REPRESENTATIVE FOR FOREIGN AFFAIRS AND SECURITY POLICY

- Dual function:
  - Chairs the meetings of the Foreign Affairs Council
  - Vice President of the European Commission
- Directs the Common Foreign and Security Policy
- Head of the European External Action Service



Josep Borrell

# EUROPEAN COMMISSION

Promotes inter-agency agreements and cooperation at various levels

Has a monopoly on legislative initiative

It has the capacity for political initiative over any institution and in any policy within its competence

It is responsible for the implementation of the European budget and the management of all its programs

# EUROPEAN COMMISSION

Process of elaboration of a legislative piece



# EUROPEAN COMMISSION

Process of elaboration of a legislative piece



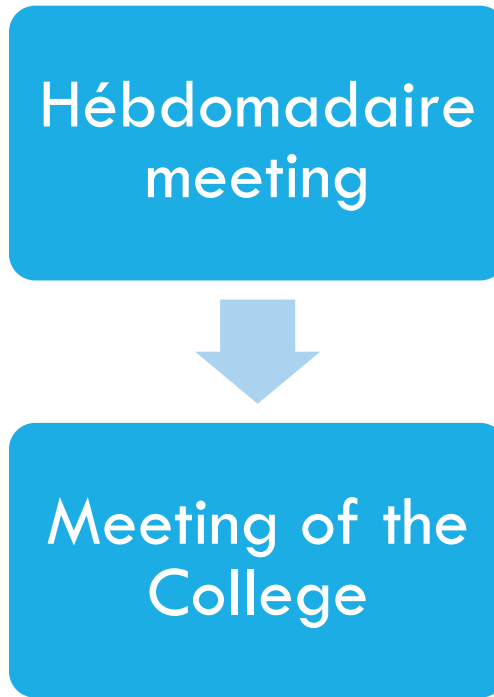
# EUROPEAN COMMISSION

Process of elaboration of a legislative piece

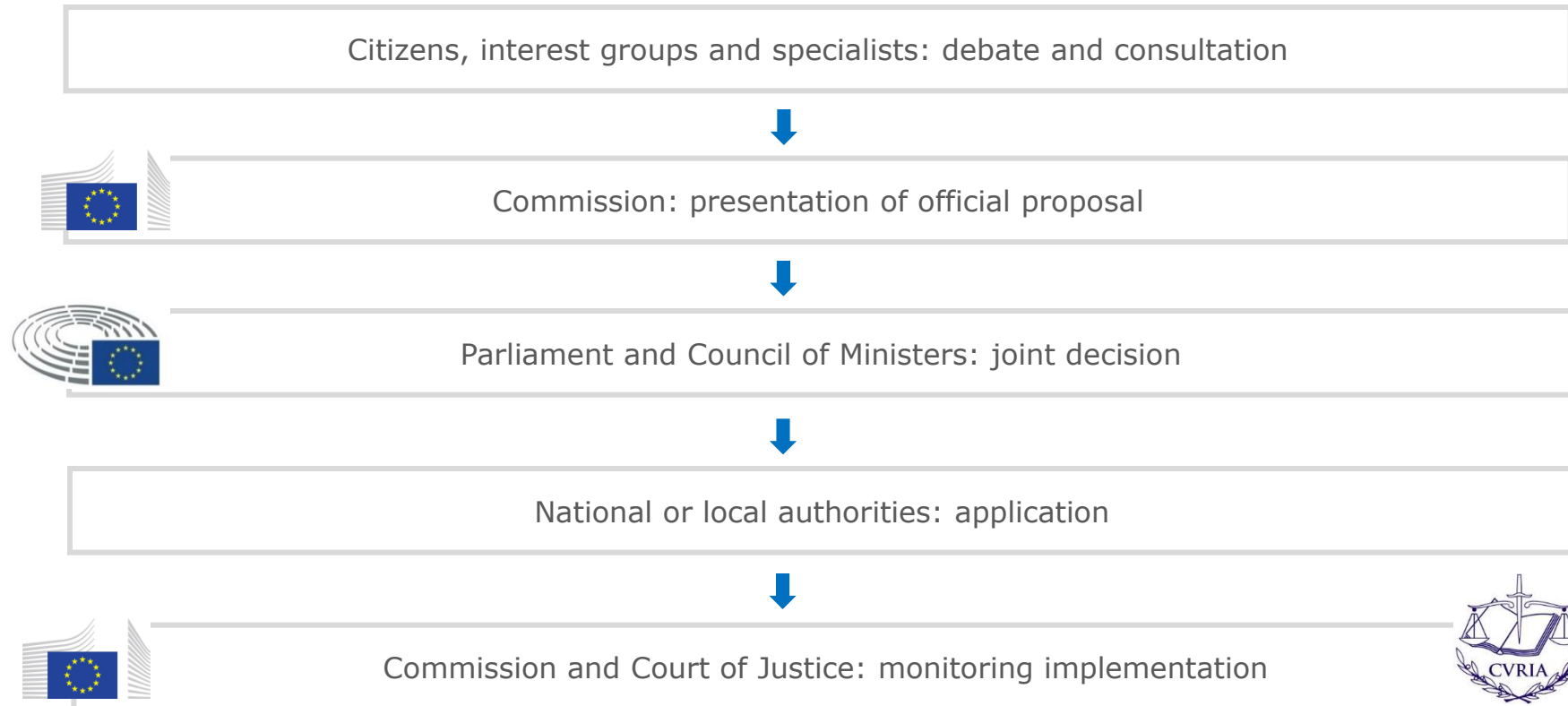


# EUROPEAN COMMISSION

Process of elaboration of a legislative piece



# LEGISLATION CYCLE IN THE EU





# ORDINARY LEGISLATIVE PROCEDURE

The codecision procedure was introduced by the Maastricht Treaty (1992)

It was later extended by the Treaty of Amsterdam (1999)

With the Lisbon Treaty, which entered into force on December 1, 2009, the ordinary legislative procedure has changed its name and has become the main legislative procedure in the decision-making system of the European Union

# ORDINARY LEGISLATIVE PROCEDURE

The ordinary legislative procedure gives equal weight to the European Parliament and the Council of the European Union in a wide range of areas (e.g. economic governance, immigration, energy, transport, environment and consumer protection)

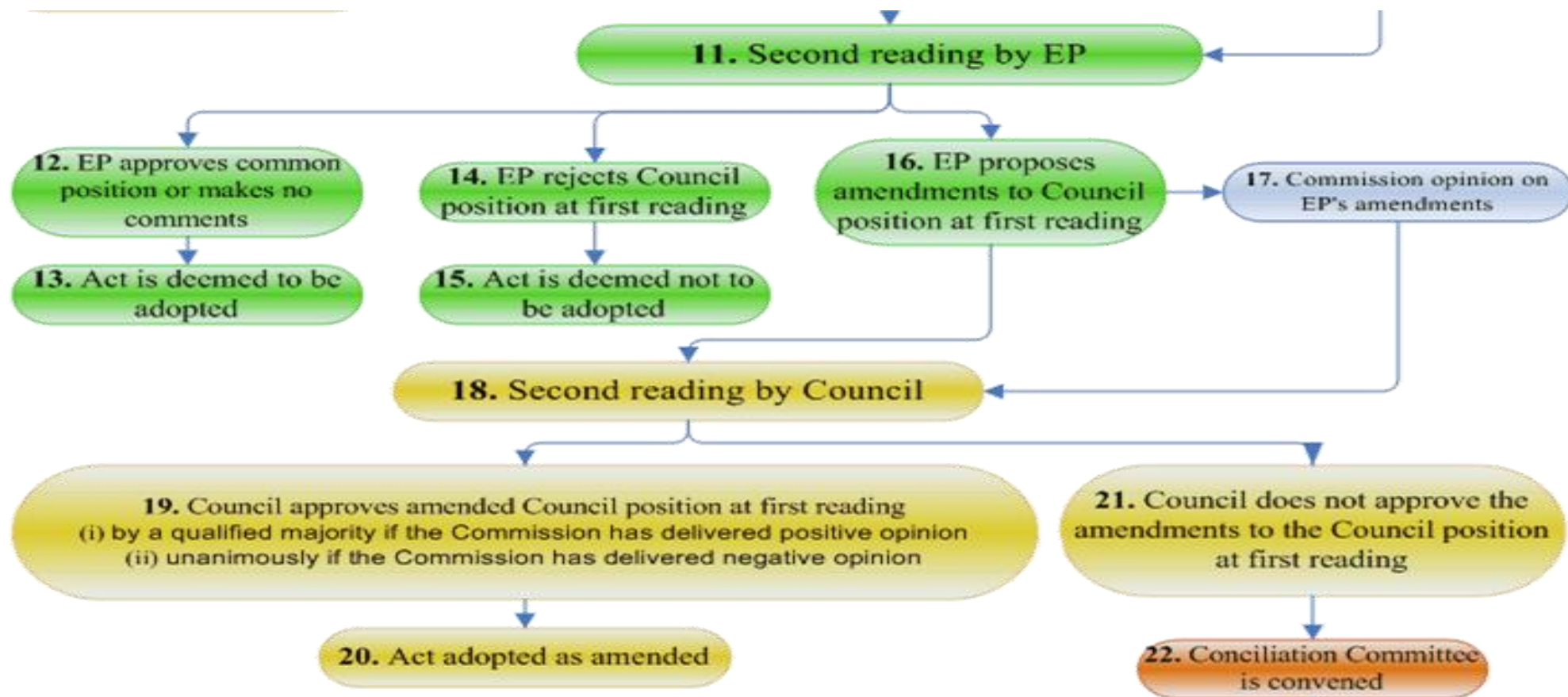
The vast majority of European laws are adopted jointly by the European Parliament and the Council

More information under Article 289 (and following) of the Treaty on the Functioning of the European Union (TFEU)

# ORDINARY LEGISLATIVE PROCEDURE



# ORDINARY LEGISLATIVE PROCEDURE



# ORDINARY LEGISLATIVE PROCEDURE



# EUROPEAN PARLIAMENT

Considers and adopts European legislation

Approves the EU budget.

Exercises democratic control over the other institutions, especially the Commission

Approves important international agreements such as the accession of new Member States to EU agreements or trade associations between the EU and other countries

# EUROPEAN PARLIAMENT

Multiple locations

Work in committees

- Parliamentary committee
- Speaker
- Shadow Speakers

Work in plenary

# COUNCIL OF THE EUROPEAN UNION

- A minister from each EU country
- Rotating semester presidency
- Adoption of EU legislation and budget together with Parliament
- Management of the Common Foreign and Security Policy





# COUNCIL OF THE EUROPEAN UNION

## **Functions:**

1. Approves EU legislation
2. Coordinates economic policies of the EU countries
3. Sign agreements between the EU and other countries
4. Approves the annual budget of the EU
5. Develops the foreign and defense policies of the EU
6. Coordinates cooperation between the courts and police of the member states

# COUNCIL OF THE EUROPEAN UNION

It has legislative and budgetary functions, in conjunction with the European Parliament

It has functions in the definition and coordination of policies, in particular in the field of common foreign and security policy functions, under the direction and priorities established by the European Council

Defines the general policies and guidelines to be followed in areas of intergovernmental dominance

Approves the acts and decisions related to the common foreign and security policy, and other areas that are constitutionally reserved for its sole knowledge, respecting the advisory functions, the participation or the supervision and the democratic control that corresponds to the European Parliament in such areas

# COUNCIL OF THE EU: VOTING PROCEDURE



Most decisions of the Council are taken by "double majority".

A decision must be endorsed by at least:

- 55% of Member States
- Member states representing 65% of the EU population

# EUROPEAN COUNCIL SUMMIT

- Meets four times a year
- Establishes general guidelines for EU policies
- President: Charles Michel



Summit of the Heads of State or Government  
of all EU countries

# EUROPEAN COUNCIL

Heads of State or Government of the 27 EU Member States, the President of the European Council and the President of the European Commission

## **Functions:**

- Defines the general political orientations and priorities of the EU
- It is not one of the legislative institutions of the EU

# COURT OF JUSTICE

- Interpret EU regulations
- Ensures uniform application of regulations in all Member States



# EUROPEAN OMBUDSMAN

- Investigates administrative claims filed against the institutions of the European Union
- Its main functions are to attend to complaints in the areas of: injustice, discrimination, abuse of power, unnecessary delay, lack of response or incorrect procedures
- Any EU citizen can file a claim



Emily O'Reilly

# EUROPEAN COURT OF AUDITORS

- Check the correct use of EU funds
- You can investigate any person or organization that receives EU funds



27 miembros independientes



# EUROPEAN CENTRAL BANK

- Guarantees price stability
- Controls the money supply and determine interest rates
- Oversees bank security
- It is independent so that it does not depend on governments



**Christine Lagarde**  
President of the European Central Bank

# EUROPEAN ECONOMIC AND SOCIAL COMMITTEE

Represents unions, employees, farmers, consumers, etc.

Issues opinions on EU law and policy

Encourages the involvement of the social partners in EU affairs



# COMMITTEE OF THE REGIONS

Represents cities and regions

Issues opinions on EU law and policy

Encourages the participation of local governments in EU affairs



## 4. INSTITUTIONS AND POLITICAL ACTORS

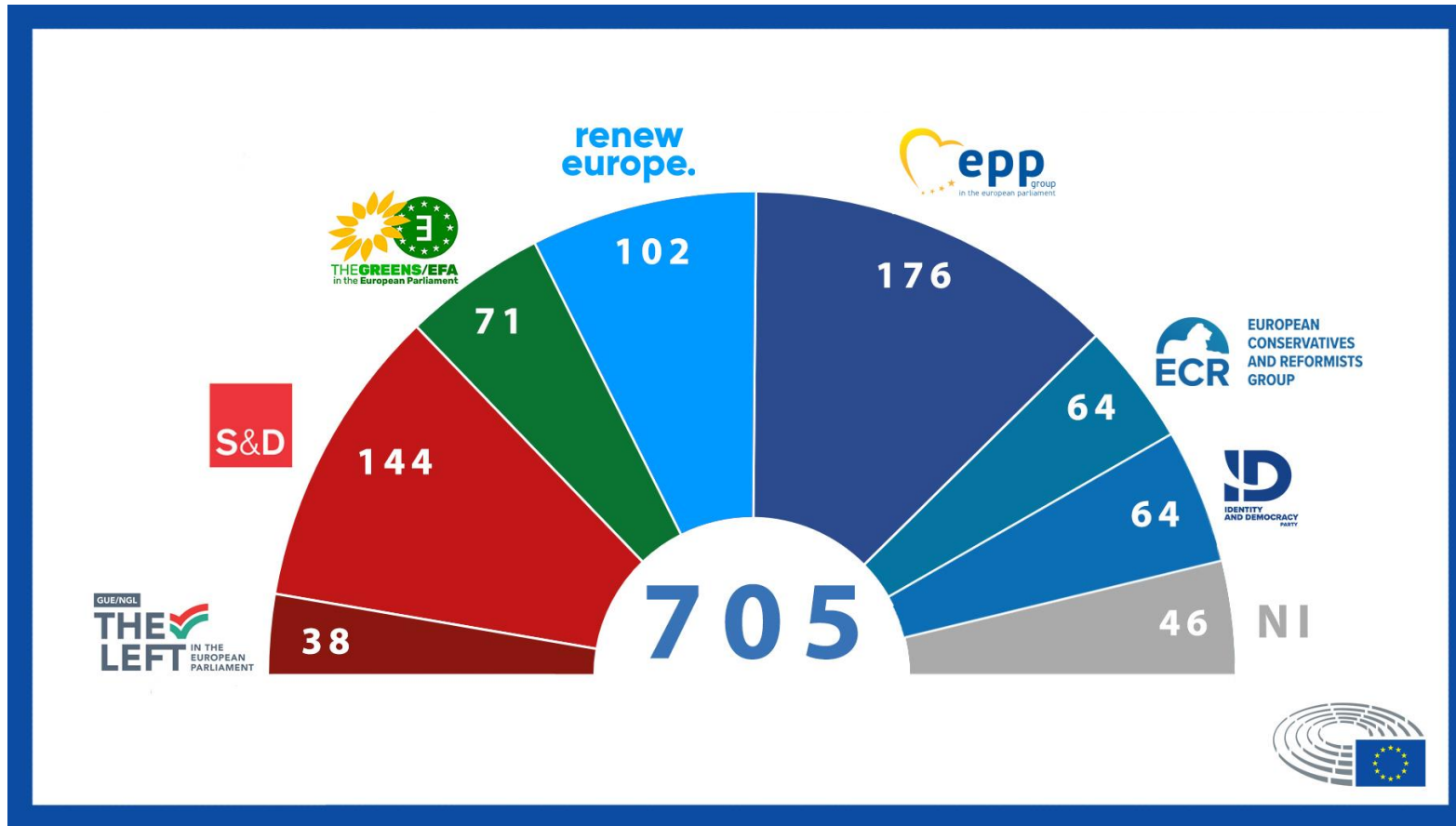


# POLITICAL ACTORS

## European political parties

- Christian democrats
- Social democrats
- The liberals
- The greens
- Socialists, communists and leftists
- Eurosceptic Conservatives
- The Europhobes

# POLITICAL GROUPS IN THE EUROPEAN PARLIAMENT



# GROUPS IN THE PARLIAMENT

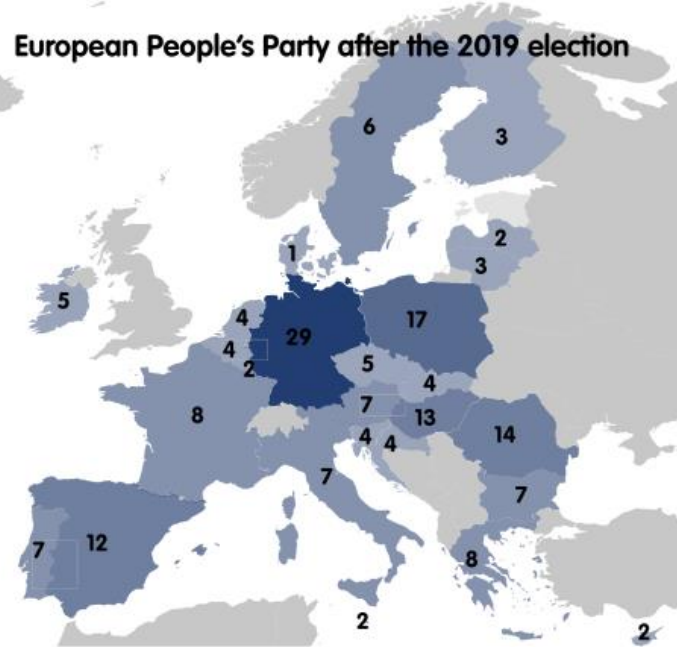
Presence of EPP and S&D in almost all Member States

Concentration of greens and liberals in some States



European People's Party after the 2019 election

Number of seats



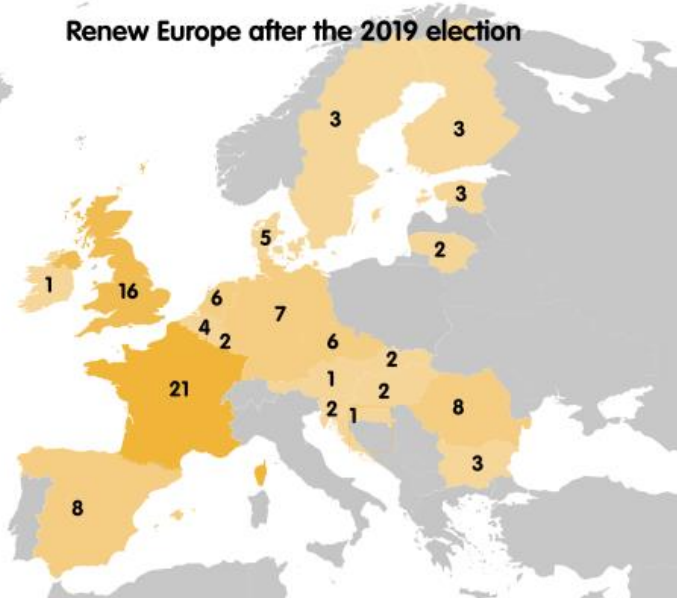
Socialists & Democrats after the 2019 election

Number of seats



Renew Europe after the 2019 election

Number of seats



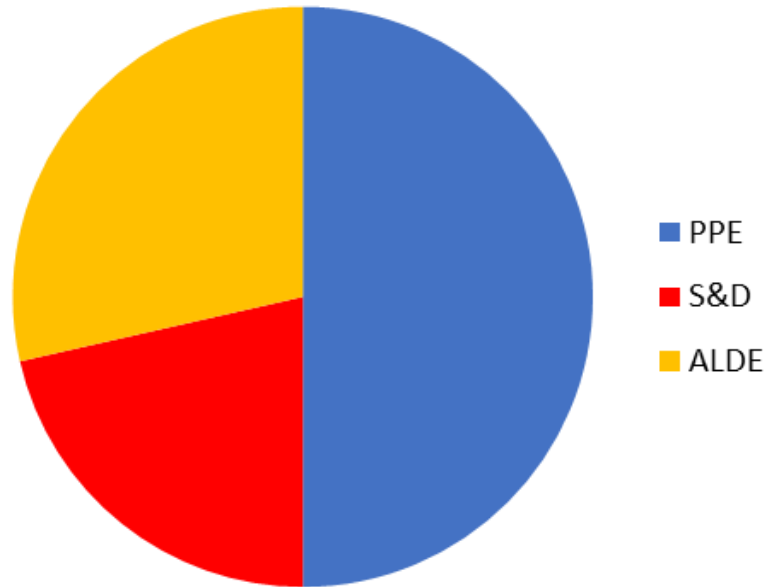
The Greens after 2019 election

Number of seats

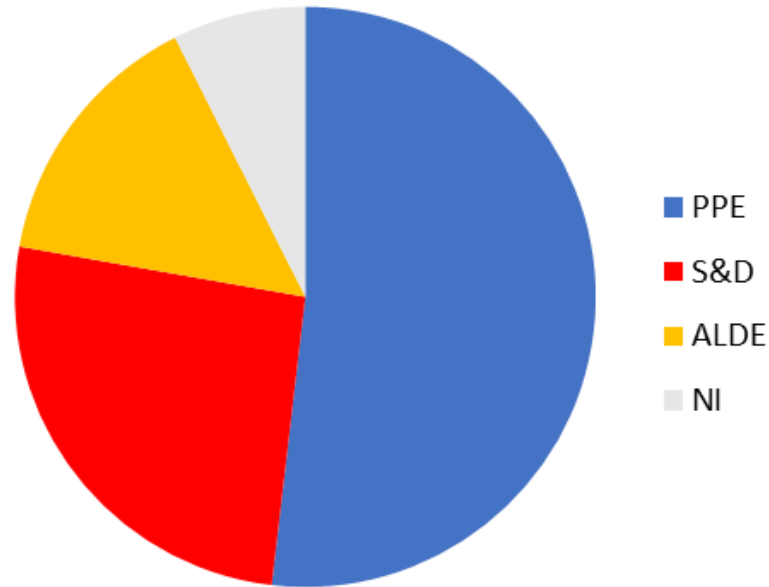


# THE ARTICULATION OF MAJORITIES IN THE COMMISSION AND THE EUROPEAN COUNCIL: 2009

Commission in 2009



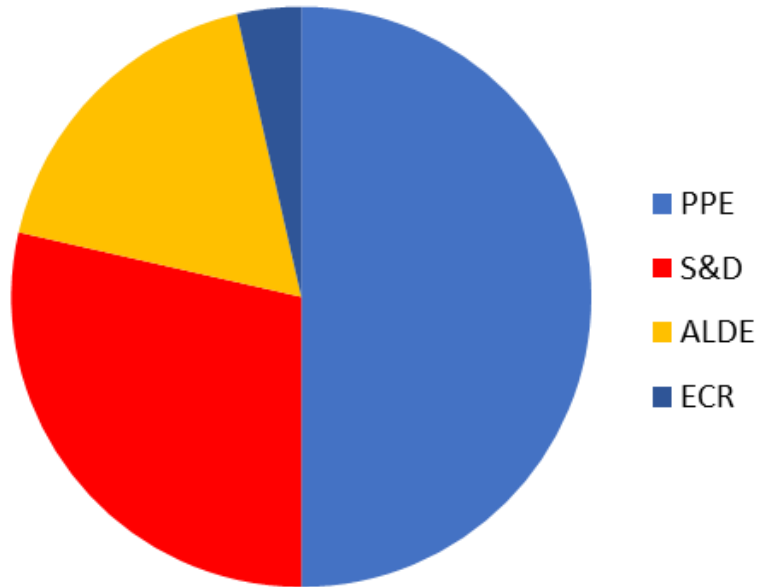
European Council in 2009



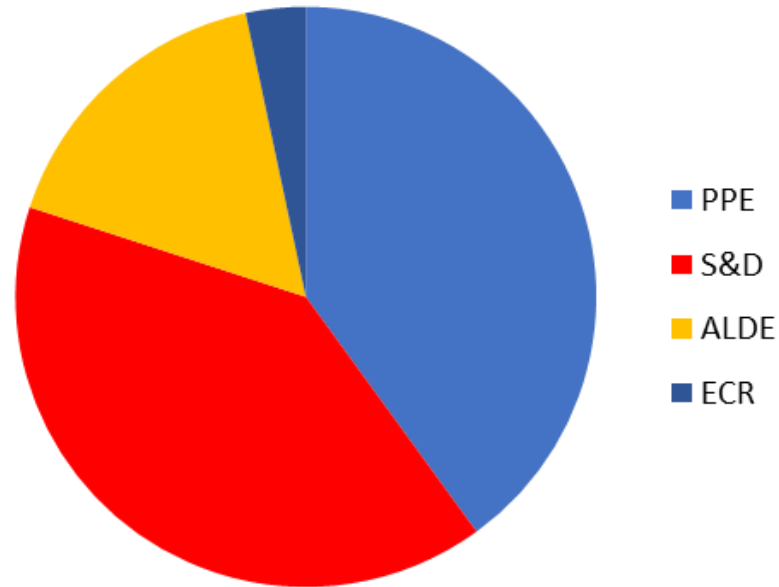


# THE ARTICULATION OF MAJORITIES IN THE COMMISSION AND THE EUROPEAN COUNCIL: 2014

Commission in 2014

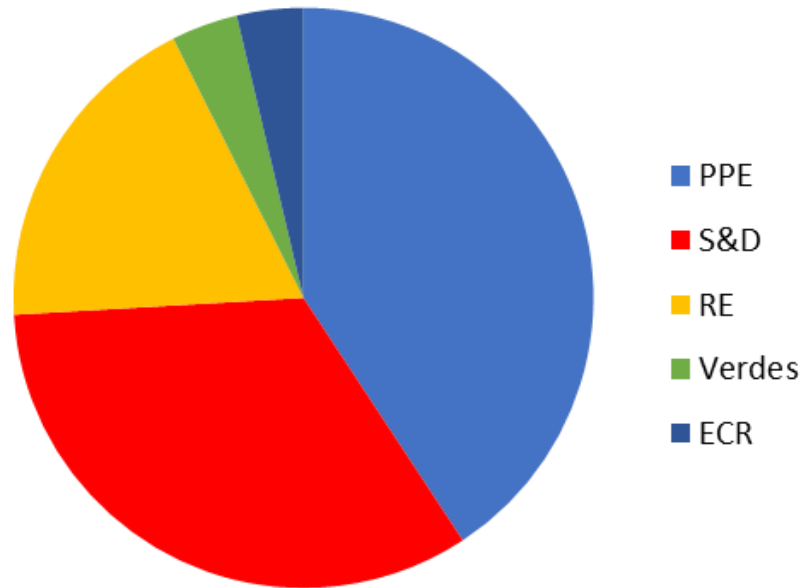


European Council in 2014

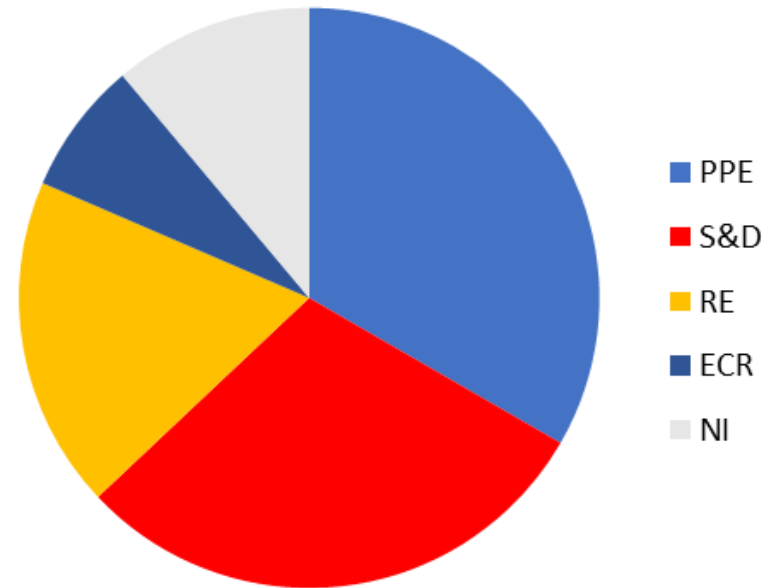


# THE ARTICULATION OF MAJORITIES IN THE COMMISSION AND THE EUROPEAN COUNCIL: 2019

Commission in 2019



European Council in 2019



# OTHER ACTORS

## Interest and pressure groups

- Unions and employers
- The organized lobby in Brussels
- The media



## **5. POLICIES OF THE EU**



# THE POLICIES OF THE EUROPEAN UNION

The EU encompasses multiple decision areas that affect the decisions of citizens in their day-to-day life

# COMMISSION POLITICAL PRIORITIES (2019-24)




## A European Green Deal

Europe aims to be the first climate-neutral continent by becoming a modern, resource-efficient economy.



## A stronger Europe in the world

The EU will strengthen its voice in the world by championing multilateralism and a rules-based global order.



## A Europe fit for the digital age

The EU's digital strategy will empower people with a new generation of technologies.



## Promoting our European way of life

Europe must protect the rule of law if it is to stand up for justice and the EU's core values.



## An economy that works for people

The EU must create a more attractive investment environment, and growth that creates quality jobs, especially for young people and small businesses.

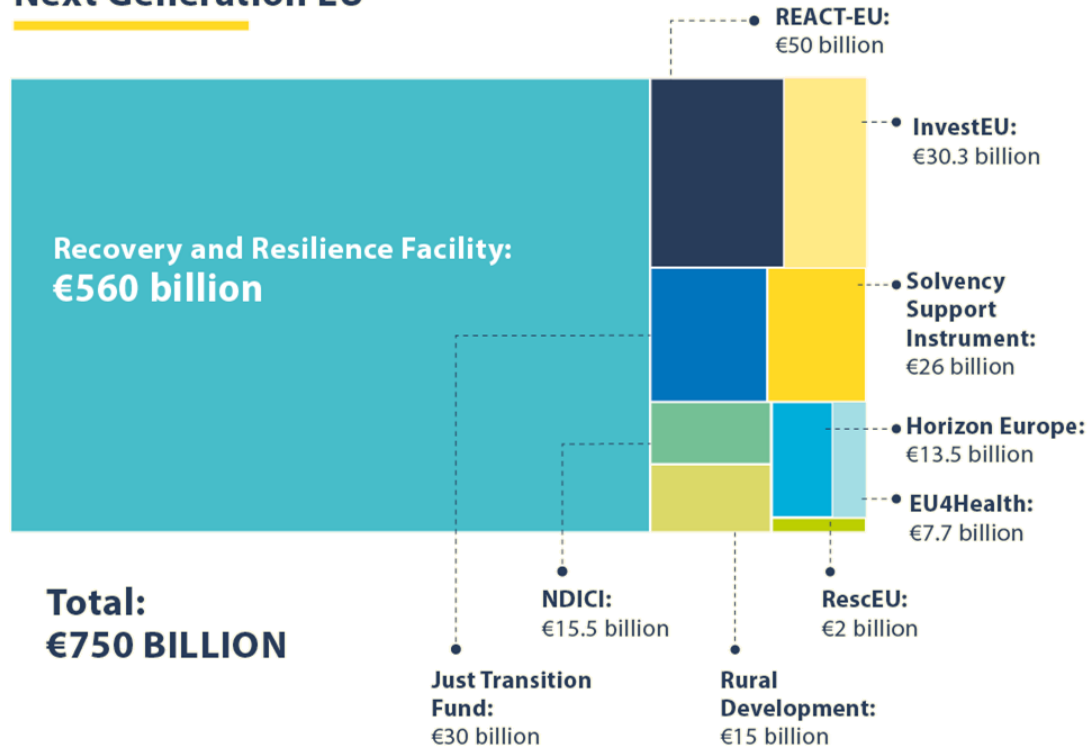


## A new push for European democracy

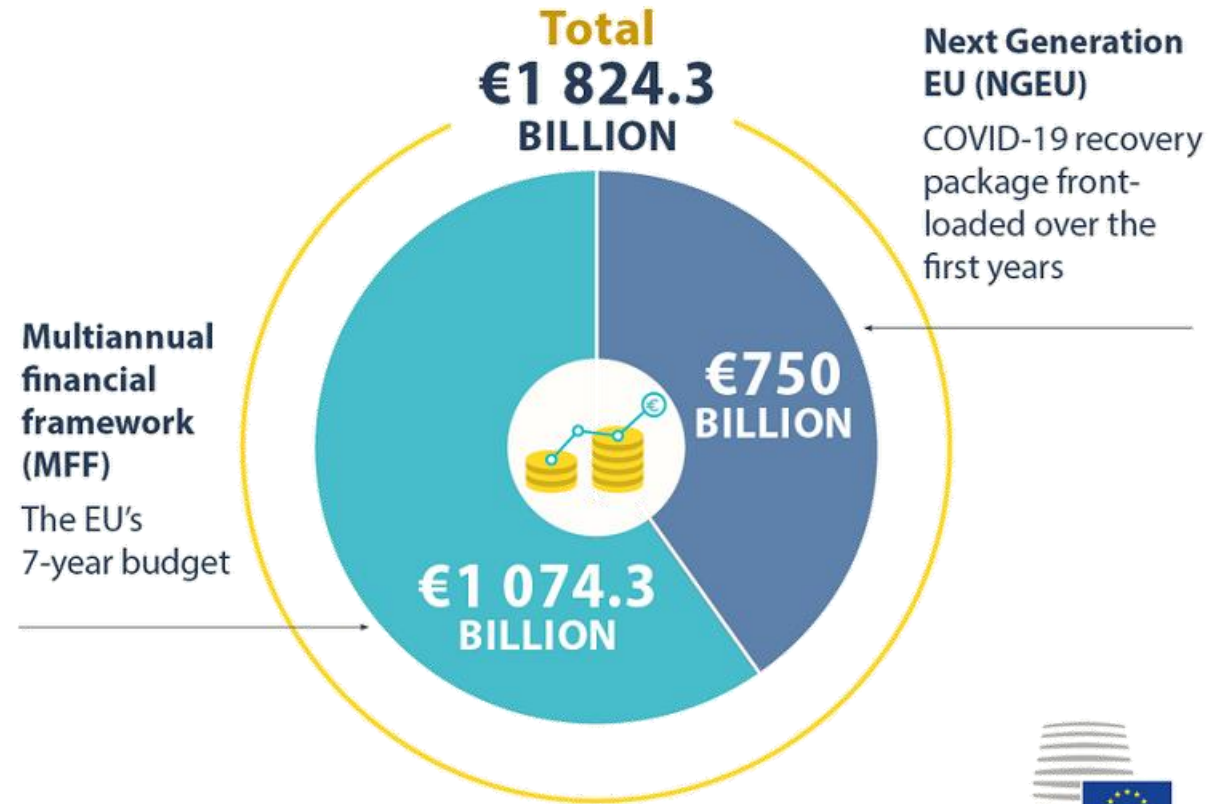
We need to give Europeans a bigger say and protect our democracy from external interference such as disinformation and online hate messages.

# EU BUDGET

## Next Generation EU



## EU budget 2021-2027 and recovery plan



# CORONAVIRUS CRISIS: EU ANSWERS

## EU response to COVID-19 | EXAMPLES OF ACTIONS TAKEN BY THE EU



### EUROPEAN COMMISSION

Coordinates common EU response and supports national policies.

Examples:

- Procurement of medical equipment
- EU budget flexibility
- Repatriation of citizens
- Supporting research



**Member States** tackle the crisis at the national level and at EU level. At EU level, national ministers in the **Council** decide together with MEPs in the **Parliament** on common measures. These include mobilising EU funds to strengthen healthcare systems.

### EUROPEAN CENTRAL BANK

Monetary policy measures to support Eurozone economy.



### EUROPEAN INVESTMENT BANK

Financial support for SMEs.



### EUROPEAN CENTRE FOR DISEASE PREVENTION AND CONTROL

Monitors spread of COVID-19, provides advice to Member States and Commission.



### EUROPEAN CHEMICALS AGENCY

Supports Member States and industry in addressing disinfectant shortages.



### EUROPEAN MEDICINES AGENCY

Checks that vaccines and treatments are safe and effective, and gives industry guidance on how to test.



### EUROPOL

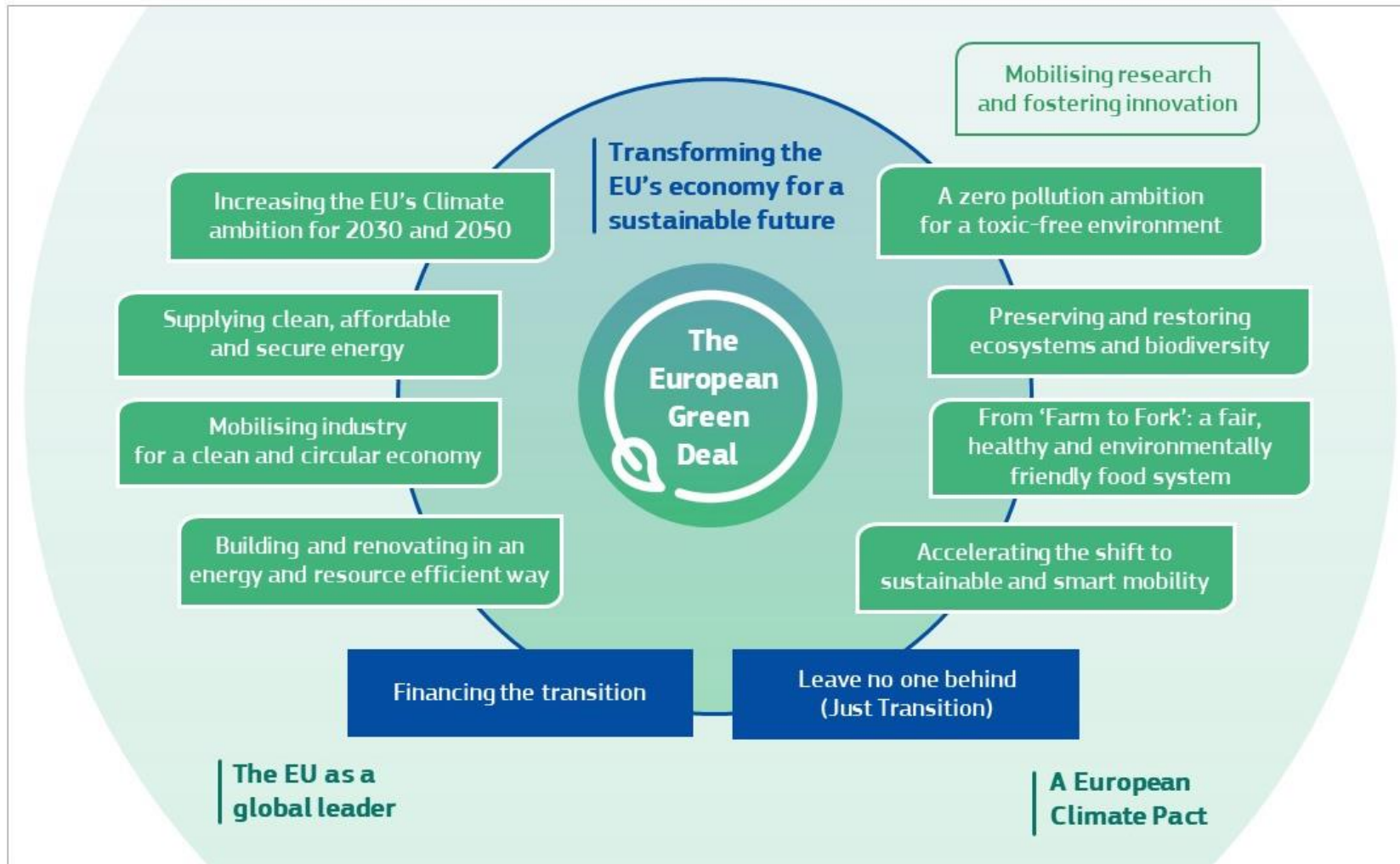
Monitors and warns about new crime exploiting the COVID-19 crisis.



European Ombudsman



# CLIMATE CHANGE — EU OBJECTIVES



# CLIMATE CHANGE: EU OBJECTIVES

Becoming the world's first climate-neutral continent by 2050 is the greatest challenge and opportunity of our time. To achieve this, the European Commission presented the European Green Deal in December 2019.

The Green Deal is an integral part of the Commission's strategy to implement the United Nations 2030 Agenda and the Sustainable Development Goals. The Commission has drawn up the first European "climate law", which enshrines in legislation the goal of climate neutrality by 2050.

# CLIMATE CHANGE: EU OBJECTIVES

The EU has already started to modernize and transform the economy with the goal of climate neutrality. Between 1990 and 2018, greenhouse gas emissions fell 23%, while the economy grew 61%.

The Commission assesses the impact to increase the EU's greenhouse gas emissions reduction target for 2030 by between 50% and 55%, compared to 1990 levels in a responsible manner.

# FINAL CONSIDERATIONS

Democratic deficit in the EU?

The European Union, towards a consensual democracy

Accountability issues

Future perspectives

This Jean Monnet Module has obtained co-financing from the European Union through the Erasmus + Program

Call for Proposals: 2020 – EAC-A02-2019-JMO

Reference: 620595-EPP-1-2020-1-ES-EPPJMO-MODULE



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of the European Union