

## THE UNIQUENESS OF THE EUROPEAN PROCESS OF REGIONAL INTEGRATION: INSTITUTIONAL FRAMEWORK

M. M. KEINO<sup>a</sup>

<sup>a</sup>Belarusian State University, 4 Niezaliežnasci Avenue, Minsk 220030, Belarus

The article covers supranational governance that relies on the well-built institutional structure of the EU and shows its peculiarity. It argues the fact that the EU can be perceived as a state in nature. The article also highlights the drawbacks in the formation and functioning of other regional integration associations such as ASEAN, NAFTA, and MERCOSUR. Good governance of the EU, remarkable economic results achieved by its members and the existence of strong and independent supranational institutions result in the EU uniqueness.

**Keywords:** ASEAN decision-making; European Union; EU governance; EU decision-making; European Council.

## УНИКАЛЬНОСТЬ ЕВРОПЕЙСКОГО ПРОЦЕССА РЕГИОНАЛЬНОЙ ИНТЕГРАЦИИ: ИНСТИТУЦИОНАЛЬНАЯ СТРУКТУРА

Н. М. КЕЙНО<sup>1)</sup>

<sup>1)</sup>Белорусский государственный университет, пр. Независимости, 4, 220030, г. Минск, Беларусь

Рассматривается наднациональное управление, опирающееся на хорошо выстроенную институциональную структуру ЕС, и демонстрируется особенность такого управления. Приводятся доводы в пользу того, что ЕС может восприниматься как государство по своей природе. Также освещаются недостатки в формировании и функционировании других региональных интеграционных объединений, таких как АСЕАН, НАФТА и МЕРКОСУР. Надлежащее управление ЕС, хорошие экономические результаты, достигнутые его членами, и наличие сильных и независимых наднациональных институтов могут свидетельствовать об уникальности союза.

**Ключевые слова:** процесс принятия решений в АСЕАН; Европейский союз; управление ЕС; процесс принятия решений в ЕС; европейский Совет министров.

### Introduction

The time between 1945 and 1948 could be characterised by the escalation of the Cold War and the foundation of approximately a hundred new organisations that mostly focused on its mitigation, Western Europe became a place for international forums. As a result, the Western European states connected to one another and to the “benignant hegemon”, the USA [1, p. 652].

Moreover, European integration could be assigned to the economic situation in the region [2, p. 111]. Some of the Western European countries’ governments considered the integration as a chance to modernise their economies, increase the competition by establishing an extending market that eventually would lead to the substitution of old forms of manufacturing for new

### Образец цитирования:

Кейно НМ. Уникальность европейского процесса региональной интеграции: институциональная структура. *Журнал Белорусского государственного университета. Международные отношения*. 2020;2:31–37 (на англ.).

### For citation:

Keino MM. The uniqueness of the European process of regional integration: institutional framework. *Journal of the Belarusian State University. International Relations*. 2020;2: 31–37.

### Автор:

**Никита Михайлович Кейно** – аспирант кафедры международных экономических отношений факультета международных отношений. Научный руководитель – кандидат экономических наук, доцент Н. И. Скирко.

### Author:

**Mikita M. Keino**, postgraduate student at the department of international economic relations, faculty of international relations.  
nkeyno@mail.ru

ones based on cooperation and specialisation and put expenses on the economy restructure on the common European budget. Furthermore, there were attempts to gain more power through establishing the integration, for example, France could have more power using the European interdependence rather than national independence. It was a good way of eliminating the US influence, becoming more influential (especially in the case of France and later Britain), and re-establishing equilibrium in the Atlantic Alliance. Germany considered the integration as a way of exonerating its image in the international arena and act on behalf of Europe [3, p. 248]. The European Union (EU) could be considered as one of the most sophisticated and multinational political institutions, less dependent on authority of member states [4, p. 124]. The uniqueness of the EU is that it initially declared to be unique, all the while, it has been an ambition of achieving more rather than a political substantiality [1, p. 670].

The purpose of the study is to present the experience of European integration by virtue of the uniqueness of its institutional framework and its comparison to other integration associations.

The objectives of the study are:

- 1) to look into the integration theories identifying the best practices each school of thought brought to the understanding of the integration process and its success;
- 2) to describe the basics of the EU decision-making process and identifying its peculiarities;
- 3) to evaluate the EU as a federation, confederation or a compound of states;
- 4) to compare the experiences of other regional integrations (NAFTA, ASEAN, MERCOSUR) with the EU experience and identify the reason of the EU for the successful institution building.

The novelty of the study is using different integration dimensions and theoretical approaches as well as identifying the reasons for the success of the process of European integration.

The EU uniqueness concept could include constancy and well-functioning of the supranational governance relying on national governmental institutions, consideration of the EU as being a superstate, federation or confederation; the comparison of European integration to other ones in the different regions of the world could demonstrate the manifestation of the EU uniqueness.

### The theoretical framework of the EU uniqueness

One of the main EU peculiarities is the stability of its governance and a wide range of institutions that provide it. The European process of integration can be divided into three dimensions that might try to explain the EU governance success: sectoral, vertical, and horizontal ones. The sectoral dimension of the integration describes the process of how new policy areas start to be regulated (partially or completely) at the supranational level (EU level). This entails any new policy area that is becoming to be regulated by the EU (the security and defence, immigration and asylum policies can be taken as an example of sectoral

integration progressing). This describes the ways and reasons for the policy sectors to be regulated at the supranational level. The vertical dimension describes the distribution of competencies across EU institutions and the transfer of local competencies to the supranational level. Table below gives examples of how the decisions are taken in some policy areas in different periods of the EU integration process. This dimension shows how the competencies of member states are being delegated to the EU level and it might be used as an indicator of the integration level across the different policy areas.

Table

The EU vertical and sectoral integration

Policy area	Year				
	1950	1958	1967	1993	2004
Movement of goods and services	NL	EUL	BL	CL	CL
Environmental standards	NL	EUL	EUL	BL	BL
Labour market standards	NL	NL	NL	BL	BL
Security and defence	NL	NL	NL	NL	EUL
Immigration and asylum	NL	NL	NL	EUL	BL

Ending table

Policy area	Year				
	1950	1958	1967	1993	2004
Regional development	NL	NL	NL	BL	BL
Public healthcare	NL	NL	NL	EUL	EUL

Note. NL – all the decisions are taken at the national level; EUL – some decisions are taken at the EU level; BL – the decisions are taken at both levels; CL – most decisions are taken at the central level.

The horizontal dimension describes the increase of sectoral and vertical integration levels across territories. It mostly refers to the EU enlargement, and analyses, why some countries are willing to become a member of the EU and some, are not, it evaluates the cases where the full EU membership is not reached and it is only association or trade agreements between the EU and a state or a group of states. It is worth mentioning that horizontal integration is not homogeneous in the EU: for instance, there are exclusions from the European Monetary Union or Schengen regime for some of the members.

The existing theories of integration that could be divided into the theories of federalism, intergovernmentalism and supranationalism [5, p. 184; 6] are seeking to explain the durability of the European institutionalisation framework [7, p. 464]. In the early steps of the emergence of integration the functionalist concept that belongs to the supranational “school of thought” is believed to be predominant in the EU’s development [8, p. 186]. After the termination of the World War II the rise of the market, capital flow, and social welfare could be considered to be stressed [8, p. 44]. The concept and approach to the process of the European integration were dictated by the conditions in which countries had to survive and restore their economies and, eventually, become remarkable actors in the international arena [9, p. 971]. The federalist approach was quite widespread at the beginning of the EU integration process as it relied on the example of the USA and its success. Nevertheless, the creation of a federal state in Europe might have prevented the conflicts among participants, but it would not result in the sound cooperation with third party countries as well as it might have hindered the political democracy in the region and it did touch the economic development issues that were essential.

The contemporary EU is a complex entity with a great number of institutions that make the union’s work sound and stable, the principle of intergovernmentalism could be traced in the EU of today. The sophisticated apparatus of governance implementing internal and external policies based on the principles

of equality and unanimity (or on the principle of the majority of votes depending on the issue) could be seen in the union [7, p. 463]. The neo-functionalism relies on the cooperation of political powers and spillover of economic cooperation into the interactions in other areas. This theory declines the importance of governance of member states, supranational institutions have the full power. The neo-functionalist theory is considered questionable speaking about the contemporary EU because of the development of the integration process, especially, after the Maastricht Treaty was signed. The neo-functionalist theory relies on that the “successive spillovers would accrue to the same regional institution, for instance, the EU Commission” that is inconsistent with unwillingness of member states to empower the EU Commission since 1992 [10, p. 14; 11, p. 39].

There are many modern approaches to the integration that are based on the traditional theories of integration: all this complex of approaches based on the governance (or new governance) theory. This theory claims that the EU is a political system that functions apart from the member states. It focuses on the EU institutions and downplays national actors [10, p. 7].

It can be seen that the research area of European integration is characterised by a variety of modern and traditional schools of thought and approaches. All of them highlight the complicity and multidimensionality of EU integration. The federalism is most effective while analysing the aims of the integration, the governance theory can assist in researching a complex and multilevel practice of the integrated countries. The intergovernmental and neo-functional approaches are best to use for analysing the process itself. Intergovernmental practices are used for analysing the integration process at the time of active dynamics that allows evaluating the negotiation processes, while neo-functional practices are used to study integration in the recession period as it describes how the members get the possibility of employing supranational bodies at their benefits thus developing and enforcing them. The complex use of all the approaches will result in an effective understanding and analysis of the EU experience [10, p. 8].

### EU institutions as a unique mechanism of the governance at the supranational level

One of the peculiarities of the EU is that it does not have any coercive institutions at the supranational

level that makes entities obey the EU regulations and laws; also, it is possible to leave the organisation

(Brexit is a good example). Thus, the stability of the EU governance is not based on enforcement measures to comply with the EU rules, but it is considered to be conditional on non-mandatory accordance of each member state administrative establishments “such as agencies, courts, and police and, ultimately, of citizens” [7, p. 463].

The EU is a multicultural entity, without huge stratification in values (although there might be observed economic stratification) across members. Any stratification is believed to undermine the consensus within the union and it is present in the EU. However, each member state has its representative in the Council of Ministers. This allows advocating (or discussing) the issues that are of high importance to one particular country. Thus, there is a consensus in the decision-making

process of the EU. The undivided opinion is required in the issues concerning national security, independence, and foreign policy issues. Furthermore, it is worth emphasising that EU member states have strong national governing institutions that are responsible for the implementation of the policies dictated by the weaker supranational establishments [7, p. 467].

The explanation for such good governance is that there are four necessary conditions to be met: accordant and personal settlement of intercultural conflicts (including disputes between leader countries and the rest of the members), debarment of the decision made on the majority of opinions that could have any impact on the vital interest issues, a high degree of political autonomy of each member state and equal participation in the administrative establishments [7, p. 472].

### **Can the EU be considered a superstate?**

Another EU singularity is that it could be claimed that the EU is a state or at least some kind of superstate. The majority of functions of national governments are considered to be performed by supranational institutions [12, p. 408]. Therefore, it is possible to say that the EU itself has some kind of sovereignty and has one of the peculiarities of a state which is independence. Also, analysing the Lisbon treaty, for example, Art. 48(7) that establishes the simplified procedure of making amendments to Treaties of the EU. It means that the European Council on its own initiative could alter the decision-making process in the Council of Ministers on certain issues from unanimity to the qualified majority. Previously it was not possible to make such amendments without the approval of the parliaments of member states and referendum. This procedure is considered to reveal the similarity of the EU to a state. The national parliament may only veto the suggested amendments so that the resolution of the parliament is not required. Furthermore, the possibility of using the qualified majority system could undermine each member state power, the unwilling decisions could be taken, and being a member state of the union a state should impose and meet every decision taken pursuant to this simplified procedure [12, p. 412]. Therefore, the EU has become a powerful entity that has a variety of

competencies and might act without the prior resolution of its member states.

Nevertheless, the concept of the EU being a state is very arguable, especially, when the participating members are the sovereign countries, and they, and not least, have the right to leave the union following the specially designed procedure. This right of abandoning the community is of great importance: having so many competencies the EU might make decisions on very significant to particular member issues that might not comply with the view of a state and the state might be extremely opposite the policy performed by the union in a certain sphere. The possibility of leaving the union could differ the EU from a state: it would not be possible to withdraw from a state in such a simple (without considering such secession illegal in accordance with the international law) procedure [12, p. 414].

Charles B. Blankart describes the European Union as “neither a confederation nor a federation, but rather an association of compound states” [13, p. 99]. Nevertheless, the EU has a parliament that could be perceived as an element of the federation, but at the same time, there is a European Council that could be considered as a peculiarity of a confederation state, so that it is possible to speak about neither about federation nor confederation, but a composition of the two – a compound state that describes the EU most.

### **EU versus other regional integration associations**

In addition, it is necessary to compare the EU to other integration groups to reveal the uniqueness of the former. NAFTA, MERCOSUR, ASEAN are believed to be the most common associations that have been admitted worldwide as leaders in their regions and perceived by the world community as important world actors. Moreover, analysis of these integration associations could give examples of the integration processes in different parts of the globe; accordingly, it is possible to identify the existing problems of regional integrations all over the world. It is worth mentioning that the success of

regional integration depends on the interdependence of the states in a certain region. The volume of trade within the integration association could be seen as an indicator that might identify the interdependence of parties involved. However, it should be mentioned that the volume of intra-regional trade is not a paramount factor in showing the interdependence in the integration. For example, the intra-regional trade across all EU countries is higher than among EU 15 countries. Nevertheless, the more a state trades with its “colleagues” from the region, the more important the participation

in the association will be, and as a result, “the more you pay attention to integration in your region” and this is the reason for taking into account this factor [14, p. 240].

Comparing the share of intra-trade in the trade balance in all the associations named above, we can assume the EU as the most successful one: the EU intra-trade in 2017 is almost 64 %. However, the success of NAFTA in this field should be also mentioned: approximately 50 % of the total trade in 2017<sup>1</sup>. It is a very good result and it could be said that NAFTA is a very successful example of the regional form of integration as well. Despite the asymmetry that could be seen in NAFTA, it is believed that the developing member state benefited a lot especially in the first years of block emergence: in the period between 1993 and 2002 exports from Mexico to the US increased by 234 % and to Canada in more than 200 % [14, p. 248]. MERCOSUR and ASEAN are not so well-developed in this concern: intra-trade in 2017 is 13 %<sup>2</sup> and 23 % of the whole trade comparatively<sup>3</sup>.

The decision-making process, more specifically, the way in which it is performed, is very essential in the understanding of the integration level achieved by countries. NAFTA has less need in the “objective” decision-making process, it means that there are no supra-national institutions that decide the policies in spheres of cooperation, but there are plenty of detailed treaties in which all the terms and conditions are written. There is only a need for a dispute authority that would judge the actions of members and identify whether they are conformed or non-conformed to the treaties. Certainly, NAFTA has not achieved a very close integration, however, the cooperation concerns mostly the intra-trade regimes. As it has been said above, the EU has a very sophisticated apparatus of governance, and its sphere of governance is broad. The EU members have delegated some of the sovereignty to the common institutions within the union [14, p. 239]. Speaking about the MERCOSUR institutions, they do not have powers that ones of the EU have: legal acts issued by MERCOSUR “have neither immediate applicability nor direct effect” and they are to be implemented into the national legislation of each member after performing the established procedure [14, p. 254]. It is a similar way in which every international act is to be implemented into national legislation. It could be explained by the existence of the obvious leader in the regional integration and existing strong asymmetry of its members (Brasil is the most powerful country in the region, moreover, it does not rely on the intra-trade with its partners, the volume of exports of Brasil to the EU is much more than to the other MERCOSUR countries) [14, p. 240]. ASEAN could be characterised by asymmetry as well. ASEAN’s institutional experience cannot be considered as effective in

its function as the one of the EU. The intergovernmental institutions in ASEAN have a lack of sovereignty in their actions and the regional integration relies more on informal agreements among members, as a result, voluntarism and high level of divergence are widely widespread in ASEAN interactions. The consensus that is so difficult to obtain is mandatory to take the decisions. The inefficiency of this approach could be seen in 1979 when Vietnam invaded Cambodia. ASEAN did not come to a solution on this issues and the external help was needed to be provided [15, p. 662]. However, nowadays ASEAN encounters with more challenges and the ASEAN institutions have to provide not only the high degree of interstate stability across its members as it was in the Cold War period but put their efforts into ensuring security and stability beyond Southeast Asia in the post-Cold War period [6, p. 50]. The Charter 2008 provides a new institutional framework to address these new challenges. However, it does not name the number of changes that are to streamline burdensome organisational structure of ASEAN. There is still a principle of consensus that is paramount in the decision-making; there is no clarity in the new institutions established by the charter (there is a lack of understanding of their functions and how they relate to each other). “ASEAN is still characterised by the lack of a mechanism to enforce compliance, the absence of regime sanctions, and the tenacity of consensus-based rather than legalised dispute-settlement mechanism; thus reflecting ASEAN’s continued preference for non-binding agreements and informality” [16, p. 11]. Consequently, ASEAN is not effective in the solution of existential problems.

The uniqueness of the EU might be explained by the fact that it has a very ample way of its enlargement: not only attracting new states as members of the union but different ways of cooperation with countries that are not willing or do not conform to be a full member of the union (European neighbourhood policy (ENP), associations of cooperation, trade agreements). A state should comply with the EU norms and special procedure of joining that confirms that a state can be a full member as it can be considered one of the EU states because it shares the same values and economically similar (not only the economic development of the state but the way the economics and the society itself function). Potential members are willing to become closer to the full members of the EU; they admit common values, come to unanimity on political stance on the majority of affairs, the way of economic development, and the social development<sup>4</sup>. A state can become a full member only after the acceptance of the EU values and compliance with pre-accession terms that need to be met. Nevertheless, the EU has other forms of cooperation for the ones that

<sup>1</sup>World Trade Organisation. World trade statistical review 2019. Geneva, 2019.

<sup>2</sup>Ibid.

<sup>3</sup>ASEAN statistical highlights 2018. Jakarta : The ASEAN Secretariat, 2018.

<sup>4</sup>Conditions for membership [Electronic resource]. URL: [https://ec.europa.eu/neighbourhood-enlargement/policy/conditions-membership\\_en](https://ec.europa.eu/neighbourhood-enlargement/policy/conditions-membership_en) (date of access: 30.05.2020).

cannot (or do not want) conform to its values and criteria for accession: associations of cooperation, trade agreements, specially designed policies of mutually beneficial cooperation (for example, ENP). This might explain the success of the institutional mechanism the union has on its supranational level and why the consensus can be reached in the decision-making: the members are not so

distant from each other in the way of thinking as they are united on the basis of common values or the conformity to these values that had had to be accepted before joining the EU. Hence, it is obvious that the EU experience could be considered more successful in the majority of issues (both economic and political) comparing to the experiences of other regional integrations.

## Conclusion

In conclusion, each integration association is exclusive, it could be difficult to say that there are similar reasons for the formation of each integration and the processes of their development are identical. As a result, we have a variety of associations each of which could be described as a remarkable one. It is not possible to identify the most appropriate and universal theory that can describe and give a full understanding of how the integration process work: there is a need of utilising different approaches and theories to address different questions an integration process encounters and a researcher desires to explore. Nevertheless, the EU experience of integration could be considered as the unique one because it is the most successful and well-organised: solid management of the union, good economic well-being and slight asymmetry of the members, the existing sovereignty of the supranational institutions, nevertheless, relying mostly on strong national governance framework. All this could lead to the perception of the EU as a superstate or at least as the most holistic example of compound of independent states, however, it is not possible to state that the EU is either federation or confederation, but it might be seen as a compound state. The success of the EU is the result of a very sophisticated process of the integration and also the constant changes in the functioning of union aimed at deeper cooperation and convergence of its members, and the overcoming the challenges the other big global actors could launch to undermine the values and stability of the EU. The freedom of participation and leaving the union could make the EU even more

attractive to join, but it is open only to ones that share the European values and conform to special requirements. The process of accession of new members into the EU guarantees that the new full members share the EU values and norms, are close economically that guarantees conformity to the common EU stance and allows the sound functioning of the EU supranational institutions. It might be said that the states joined the EU share common interests and objectives while states in other integration associations might be in pursuit of their individual interests and objectives that might be reflected in the drawbacks in their institutional framework. Moreover, the economic interdependence of the state that could be proved by the high level of intra-trade in the region might be considered as one of the driving force to the further EU integration and prosperity. The high level of asymmetry that could be believed to feature the majority of regional integration blocks does not seem to be a case of the European process of integration that contributes to the sustainable development of the region. This also might mean the low level of disputes among members since there is real equality of states within the union that is shown by the absence of one evident leader and by the parity of representative's presence in the institutions of union, this helps to act fast in urgent cases. The success of the EU in the process of integration and its uniqueness could be imported by others, but first, it is necessary to examine properly the possibility of the implementation of the European integration model in each particular region.

## References

1. Patel KK. Provincialising European Union: co-operation and integration in Europe in a historical perspective. *Contemporary European History*. 2013;22(4):649–673. DOI: 10.1017/S096077731300404.
2. Haas EB. *The uniting of Europe: political, social, and economic forces, 1950–1957*. Stanford: Stanford University Press; 1958. 552 p.
3. Bruneteau B. The construction of Europe and the concept of the nation-state. *Contemporary European History*. 2000;9(2):245–260.
4. Pierson P. The path to European integration: a historical institutionalist analysis. *Comparative Political Studies*. 1996;29(2):123–163. DOI: 10.1177/10010414096029002001.
5. Bickerton ChJ, Hodson D, Puetter U. The new intergovernmentalism and the study of European integration. In: Bickerton ChS, Hodson D, Puetter U, editors. *The new intergovernmentalism. States and supranational actors in the post-Maastricht era*. Oxford: Oxford University Press; 2015. p. 1–50.
6. Koga K. ASEAN's evolving institutional strategy: managing great power politics in South China Sea disputes. *The Chinese Journal of International Politics*. 2018;11(1):49–80. DOI: 10.1093/cjip/poxo16.
7. Gabel M. The endurance of supranational governance: a consociational interpretation of the European Union. *Comparative Politics*. 1998;30(4):463–475.
8. Börzel T, Risse Th, editors. *The Oxford handbook of comparative regionalism*. Oxford: Oxford University Press; 2016. 560 p.

9. Beeson M. Rethinking regionalism: Europe and East Asia in comparative historical perspective. *Journal of European Public Policy*. 2005;12(6):969–985.
10. Avdonin VS. [Basic theoretical approaches in the study of integration]. *Rossiiskii nauchnyi zhurnal*. 2007;1:3–11. Russian.
11. Schimmelfennig F, Rittberger B. Theories of European integration. In: Richardson J, editor. *European Union: power and policy-making*. London: Routledge; 2006. p. 73–65.
12. Lock T. Why the European Union is not a state: some critical remarks. *European Constitutional Law Review*. 2009;5(3): 407–420.
13. Blankart Ch. The European Union: confederation, federation or association of compound states? A Hayekian approach to the theory of constitutions. *Constitutional Political Economy*. 2007;18(2):99–106.
14. Laursen F, editor. *Comparative regional integration. Europe and beyond*. Farnham: Ashgate; 2010. 312 p.
15. Wunderlich JU. The EU as an actor sui generis? A comparison of EU and ASEAN actorness. *Journal of Common Market Studies*. 2012;50(4):653–669.
16. Sukma R. ASEAN beyond 2015: the imperatives for further institutional changes [Internet; cited 2020 May 30]. Available from: <https://pdfs.semanticscholar.org/3a2d/ab18b0f046901f560a38-ebace9427fd6e563.pdf>.

Received by editorial board 27.01.2020.