

ABOUT INSTITUTIONAL DEFICIT AND INSTITUTIONAL EXCESS

PhD. Student Grațiela-Denisa IORDACHE

School of Advanced Studies of the Romanian Academy (SCOSAAR), Romania

E-mail: gra_den@yahoo.com

Abstract: *The present paper aims to define the concepts of institutional deficit and institutional excess. The clarification of these concepts will be useful in assessing the European Union excess or deficit of institutions in achieving its major objectives. Firstly, I will define the concepts of institutional deficit and institutional excess using the method of sufficiency predicates (logical analysis). Secondly, I will analyse the impact of institutional excess and institutional deficit on achieving Union's major objectives.*

Keywords: *institutional excess, institutional deficit, sufficiency predicates, European Union.*

JEL Classification: *F49, O43, R11.*

1. Introduction

According to 2016 European Union's general budget in 2015, the number of EU's civil servants was 46,356 divided as it follows (The Conversation, 2018):

- 24,428 European Commission;
- 1,998 European Court of Justice;
- 3,072 Council of the European Union and European Council;
- 6,739 European Parliament.

The large number of „Eurocrats”and both the extensive number of European organizations and the large number of rules, regulations, directives and treaties are the subject of an ample debate among the EU's member states.

The present paper aims to switch this debate from quantitative approach to a qualitative one, that takes into account the institutional deficit and institutional excess.

Therefore, the main objectives of the document are:

- Defining the concepts of Institutional Excess and Institutional Deficit;
- Analysing the impact of Institutional Excess and Institutional Deficit on fulfillment of European Union's objectives.

2. Methodological Aspects

From methodological point of view I use the logical analysis- Sufficiency predicates method for concepts' definition. Through sufficiency predicates we understand those attributes that can describe specific features of an entity. The sum of the sufficiency predicates defines the entity.

Using the logical analysis-Sufficiency predicates method to defining concepts implies (Dinga E., 2009, Economics studies.Contributions of logical, epistemological and methodological analysis) the following steps:

- a) Identifying the list of sufficiency predicates
- b) Qualitative analysis of the attributes:
 - i. independence (none is the logical result of another)
 - ii. consistency (none is contradictory with another)
 - iii. completeness of the sufficiency predicates that generate a construct

Therefore, noting with P_s the multitude of sufficiency predicates we may write:

$$P_s = \{P_1, P_2, P_3\}$$

3. Defining the concept of Institutional Deficit-ID

a. The list of sufficiency predicates that define the concept of Institutional Deficit:

- Teleologicality-(T)-the entity needs institutions to accomplish a specific goal/objective
- Normativity-(N)-it has a normative character
- Insufficiency-(IS)-it indicates an absence or a lack of institutions

Therefore, from the logical point of view the concept of Institutional Deficit may be describe as it follows:

ID = (T) \wedge (IS)) \wedge (N), where \wedge is the symbol for logical conjunction.

Analyzing the list of sufficiency predicates we may conclude that it is complete. Hence, the Institutional Deficit represents the lack of institutions, both norms and/or organizations, needed by a phenomenon/process/system to fulfill a certain goal.

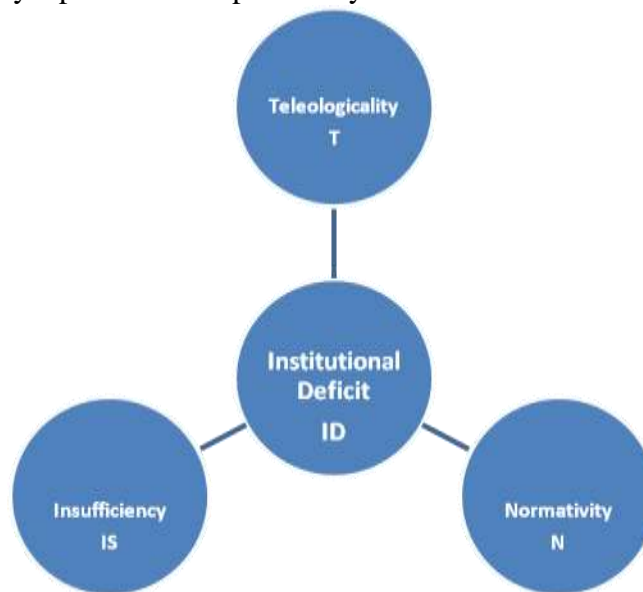


Figure no. 1. The Sufficiency Predicates of Institutional Deficit

Source: realised by author.

b. Qualitative analysis:

i. Independence

- T does not involve IS and vice versa: the teleological character of a phenomenon/process/system does not involve the lack or absence of institutions (both rules and organizations) and the lack/absence of institutions does not imply the existence of a certain goal
- T does not involve N and vice versa: the teleological character of a phenomenon/process/system does not involve the normative character and the normative character does not involve that the phenomenon/process/system has a certain goal
- IS does not involve N and vice versa: the lack or absence of the institutions does not involve the normative character and the normative character does not involve the absence of the institutions

ii. Consistency

- T is not contradictory to IS and vice versa: the teleological character of a phenomenon/process/system does not contradict the lack or absence of institutions (both rules and organizations) and the lack/absence of institutions does not contradict the existence of a certain goal
- T is not contradictory to N and vice versa: the teleological character of a phenomenon/process/system does not contradict its normative character and the normative character of a phenomenon/process/system is not contradictory to its teleological character
- IS does not contradict N and vice versa: the lack or absence of the institutions does not contradict the normative character and the normative character does not contradict the lack or absence of the institutions

4. Defining the concept of Institutional Excess

- a. The list of sufficiency predicates that define the concept of Institutional Excess:
- Teleologicality-(T)-it is connected to a certain goal/objective
 - Normativity-(N)-it has a normative character
 - Surplus-(S)-it indicates a surplus of rules, regulations and institutions, formal or informal

Therefore, from the logical point of view the concept of Institutional Deficit may be describe as it follows:

IE = (T) ∧ (S)) ∧ (N), where ∧ is the symbol for logical conjunction.

Hence, the Institutional Excess represents the surplus of formal or informal rules, regulations and institutions needed by a phenomenon/process/system an intellectual project to fulfill a certain goal.

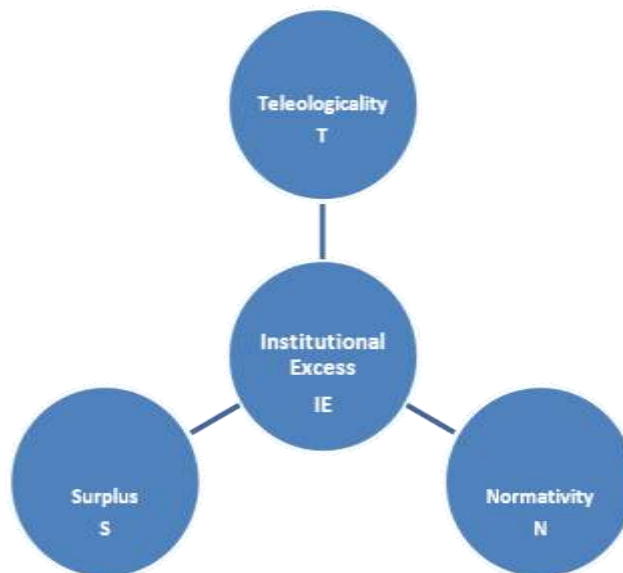


Figure no. 2. The Sufficiency Predicates of Institutional Excess

Source: realised by author.

b. Qualitative analysis:

i. Independence

- T does not involve S and vice versa: the teleological character of a phenomenon/process/system does not involve the existence of a surplus of formal or informal rules, regulations and institutions and a surplus of formal

or informal rules, regulations and institutions does not involve a teleological character of the phenomenon/process/system

- T does not involve N and vice versa: the teleological character of a phenomenon/process/system does not involve its normative character and the normative character of a phenomenon/process/system does not involve its teleological character

- S does not involve N and vice versa: the surplus of formal or informal rules, regulations and institutions does not involve the normative character of a phenomenon/process/system and the normative character does not imply the surplus of formal or informal rules, regulations and institutions of a phenomenon/process/system

ii. Consistency

- T does not contradict S and vice versa: the teleological character of a phenomenon/process/system does not contradict the existence of a surplus of formal or informal rules, regulations and institutions and a surplus of formal or informal rules, regulations and institutions does not contradict a teleological character of the phenomenon/process/system

- T does not contradict N and vice versa: the teleological character of a phenomenon/process/system does not contradict its normative character and the normative character of a phenomenon/process/system does not contradict its teleological character

- S does not contradict N and vice versa: the surplus of formal or informal rules, regulations and institutions does not contradict the normative character of a phenomenon/process/system and the normative character does not contradict the surplus of formal or informal rules, regulations and institutions of a phenomenon/process/system

5. The impact of Institutional Deficit and Institutional Excess on European Union's objectives

According to Lisbon Treaty (Art. 3), the main objectives of European Union are (Europa.eu, 2018):

- the promotion of peace and the well-being of the Union's citizens
- an area of freedom, security and justice without internal frontiers
- sustainable development based on balanced economic growth and social justice
- a social market economy - highly competitive and aiming at full employment and social progress
- a free single market

The subsequent treaties extended the European Union's objectives including:

- Creation of Economic and Monetary Union
- Common Foreign and Security Policy
- Creation of an Area of Justice and Home Affairs

In the following Table, I will analyze the impact of Institutional Excess and Institutional Deficit on fulfillment of European Union's main objectives.

Table no. 1. Impact of Institutional Deficit and Institutional Excess on European Union's objectives

| European Union's Objectives | Institutional Excess | Institutional Deficit | Impact |
|-----------------------------|----------------------|-----------------------|--|
| O1 | X | X | High administrative costs |
| | | | Unfulfillment of the objective Delay in reaching the goal Threat to the existence of European Union |
| O2 | X | X | High administrative costs Limitation of freedom Failure to develop voluntary compliance skills |
| | | | Unfulfillment of the objective Delay in reaching the goal |
| O3 | X | X | High administrative costs Limitation of initiative and innovation |
| | | | Unfulfillment of the objective Delay in reaching the goal |
| O4 | X | X | High administrative costs Limitation of initiative and innovation Threat to competitiveness |
| | | | Unfulfillment of the objective Delay in reaching the goal |
| O5 | X | X | High administrative costs Limitation of initiative and innovation Limitation of free movement of persons and capital |
| | | | Unfulfillment of the objective Delay in reaching the goal |
| O6 | X | X | High administrative costs Limitation of free movement of capital Limitation of initiative and innovation |
| | | | Unfulfillment of the objective Delay in reaching the goal |
| O7 | X | X | High administrative costs Limitation of free movement of persons |
| | | | Unfulfillment of the objective Delay in reaching the goal Threat to European Union existence |
| O8 | X | X | High administrative costs Some limitations to citizens' rights Limitation of free movement of persons |
| | | | Unfulfillment of the objective Delay in reaching the goal |

Where:

- O1- the promotion of peace and the well-being of the Union's citizens
- O2- an area of freedom, security and justice without internal frontiers
- O3- sustainable development based on balanced economic growth and social justice
- O4- a social market economy - highly competitive and aiming at full employment and social progress
- O5- a free single market
- O6- Creation of Economic and Monetary Union
- O7- Common Foreign and Security Policy
- O8- Creation of an Area of Justice and Home Affairs

6. Conclusions

A better understanding of the concepts of Institutional Excess and Institutional Deficit may help in the debate regarding the formal and informal European Union's institutions.

Furthermore, the analysis of the impact of Institutional Excess and Institutional Deficit on achieving the European Union's objectives help us to understand the impact of both concepts on the fulfillment of European Union's main objectives.

We may conclude that in order to reach its main purpose, European Union should find the level of sustainable institutionalization.

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