Propositions belonging to the Dissertation

The New Economic Governance of the Eurozone

A Rule of Law Analysis

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1. The Eurozone crisis has brought the EU and its Member States to largely transcend, and reshape, the initial coordination pattern characterizing Eurozone economic governance as it was agreed in Maastricht. The crisis and the reforms it brought about precipitated its evolution towards a new model of coordination, marked by increased centralization and supra-nationality, and its harmonization ambition.

2. The advent of a new system of economic governance in the Eurozone can be reconciled with the European Treaties and the competence allocation system they set up. However, in terms of economic and fiscal integration, the Eurozone seems to have reached the outer edge of what is constitutionally feasible. Any further upgrade will have to be preceded by Treaty revision.

3. The new economic governance of the Eurozone relies on economic and fiscal policy rules in an excessive and counter-productive manner, thereby working against the stated objectives of certainty and stability of said rules, instilling distrust and facilitating arbitrariness.

4. The new economic governance of the Eurozone reveals a growing mismatch between the reality of the EU’s powers in the economic and fiscal field, and their apprehension by the European judiciary. The result is a growing accountability gap, deeply problematic from a rule of law perspective.

5. In today’s Eurozone, economic governance’s ability to impact rights protection levels in a systemic manner is not matched by equivalent safeguards.

6. The Eurozone crisis has opened wide ‘rule of law’ gaps, and led to a paradoxical misalignment between what economic governance has become today, and its constitutional foundations. Power in the Eurozone is not optimally tempered, and risks of arbitrariness exist. Moreover, the existing environment only fosters limited confidence, which prevents Eurozone States and the Union from moving beyond the status quo.

7. Because of the metamorphosis it underwent in the aftermath of the crisis, because of the systemic impact it has on national economies and societies, and because of the many spaces of constitutional uncertainty it opens, EU economic and fiscal policy is no longer a field that constitutional lawyers can simply dismiss as one on which, because of its strangeness and unconventionality, law and the rule of law should have no hold on. Post-crisis economic governance must be subjected to constitutional analysis, not only to make sure that its far-reaching potentialities are matched with solid constitutional guarantees, but also to lift the considerable confusion it has created.
8. With the ongoing review of the Six-Pack and Two-Pack, and the economic downturn precipitated by the COVID-19 pandemic, it might well be that EMU’s economic pillar will enter yet another phase of reform. It will be crucial that lawyers, starting with constitutional lawyers, make their voices heard in these debates.

9. The ongoing debate about the EU economic policy response to the COVID-19 crisis has revealed deep divisions between Eurozone Member States. This clash is but the latest manifestation of a historical, ideological and cultural disagreement about the inner structures of the Eurozone, its ultimate telos, and the kind of solidarity it should entail. Against this background, calling for a sudden switch to full fiscal federalism is both illusory and counter-productive. The history of the EU and the EMU shows that Europe’s way is that of imperfect compromise and progressive integration.

10. Travel shapes youth, and so does it academic thinking.