

## The New Economic Governance of the Eurozone

The Eurozone and the European Union have recently been confronted with a number of existential threats. The sovereign debt crisis and the COVID-19 pandemic have forced European decisionmakers to pass important reforms that have radically transformed the nature and scope of the Union's powers in the field of economic and fiscal policy. As the new economic governance of the Eurozone emerges as the main driver of integration in today's Europe, this book seeks to assess the solidity of the constitutional foundations supporting that system and its compliance with the Union's core founding value: the rule of law. Using competence allocation, regulatory quality, access to external review and fundamental rights sustainability as analytical benchmarks, this book argues that the recent metamorphosis of Eurozone economic governance has not been accompanied by a parallel strengthening of its constitutional settlement, leading to a problematic misalignment between the Union's action in the field and its governing principles.

**Paul Dermine** is a référendaire at the Court of Justice of the European Union. Trained as a lawyer and a political scientist in Europe and the US, he holds a joint doctorate from the University of Maastricht and KU Leuven and has been a Max Weber Fellow at the European University Institute in Florence. His research focuses on European Union law and the governance of the Eurozone.

## Cambridge Studies in European Law and Policy

The focus of this series is European law broadly understood. It aims to publish original monographs in all fields of European law, from work focusing on the institutions of the EU and the Council of Europe to books examining substantive fields of European law as well as examining the relationship between European law and domestic, regional and international legal orders. The series publishes works adopting a wide variety of methods: comparative, doctrinal, theoretical and interdisciplinary approaches to European law are equally welcome, as are works looking at the historical and political facets of the development of European law and policy. The main criterion is excellence i.e. the publication of innovative work, which will help to shape the legal, political and scholarly debate on the future of European law.

### *Joint Editors*

Professor Mark Dawson  
*Hertie School of Governance, Berlin*  
Professor Dr Laurence Gormley  
*University of Groningen*  
Professor Jo Shaw  
*University of Edinburgh*

### *Editorial Advisory Board*

Professor Kenneth Armstrong, *University of Cambridge*  
Professor Catherine Barnard, *University of Cambridge*  
Professor Richard Bellamy, *University College London*  
Professor Marise Cremona, *European University Institute, Florence*  
Professor Michael Dougan, *University of Liverpool*  
Professor Dr Jacqueline Dutheil de la Rochère, *University of Paris II Pantheon-Assas,*  
*Director of the Centre for European Law, Paris*  
Professor Daniel Halberstam, *University of Michigan*  
Professor Dora Kostakopoulou, *University of Warwick*  
Professor Dr Ingolf Pernice, *Director of the Walter Hallstein Institute, Humboldt*  
*University of Berlin*  
Judge Sinisa Rodin, *Court of Justice of the European Union*  
Professor Eleanor Spaventa, *Università Bocconi*  
Professor Neil Walker, *University of Edinburgh*  
Professor Stephen Weatherill, *University of Oxford*

Books in the Series

*Digital Constitutionalism in Europe: Reframing Rights and Powers in the Algorithmic Society*

Giovanni De Gregorio

*Can the European Court of Human Rights Shape European Public Order?*

Kanstantsin Dzehtsiarou

*The Constitutional Boundaries of European Fiscal Federalism*

Brady Gordon

*Private Selves: Legal Personhood in European Privacy Protection*

Susanna Lindroos-Hovinheimo

*Fissures in EU Citizenship: The Deconstruction and Reconstruction of the Legal Evolution of EU Citizenship*

Martin Steinfeld

*The Boundaries of the EU Internal Market: Participation without Membership*

Marja-Liisa Öberg

*The Currency of Solidarity: Constitutional Transformation during the Euro Crisis*

Vestert Borger

*Empire of Law: Nazi Germany, Exile Scholars and the Battle for the Future of Europe*

Kaius Tuori

*In the Court We Trust: Cooperation, Coordination and Collaboration between the ECJ and Supreme Administrative Courts*

Rob van Gestel and Jurgen de Poorter

*Beyond Minimum Harmonisation: Gold-Plating and Green-Plating of European Environmental Law*

Lorenzo Squintani

*The Court of Justice of the European Union as an Institutional Actor: Judicial Lawmaking and Its Limits*

Thomas Horsley

*The Politics of Justice in European Private Law: Social Justice, Access Justice, Societal Justice*

Hans-W Micklitz

*The Transformation of EU Treaty Making: The Rise of Parliaments, Referendums and Courts Since 1950*

Dermot Hodson and Imelda Maher

*Redefining European Economic Integration*

Dariusz Adamski

*Human Rights in the Council of Europe and the European Union: Achievements, Trends and Challenges*

Steven Greer, Janneke Gerards and Rosie Slowe

*Core Socio-Economic Rights and the European Court of Human Rights*

Ingrid Leijten

*Green Trade and Fair Trade in and with the EU: Process-Based Measures within the EU Legal Order*

Laurens Ankersmit

*New Labour Laws in Old Member States: Trade Union Responses to European Enlargement*

Rebecca Zahn

*The Governance of EU Fundamental Rights*

Mark Dawson

*The International Responsibility of the European Union: From Competence to Normative Control*

Andrés Delgado Casteleiro

*Frontex and Non-Refoulement: The International Responsibility of the EU*

Roberta Mungianu

*Gendering European Working Time Regimes: The Working Time Directive and the Case of Poland*

Ania Zbyszewska

*EU Renewable Electricity Law and Policy: From National Targets to a Common Market*

Tim Maxian Rusche

*European Constitutionalism*

Kaarlo Tuori

*Brokering Europe: Euro-Lawyers and the Making of a Transnational Polity*

Antoine Vauchez

*Services Liberalization in the EU and the WTO: Concepts, Standards and Regulatory Approaches*

Marcus Klamert

*Referendums and the European Union: A Comparative Enquiry*

Fernando Mendez, Mario Mendez and Vasiliki Triga

*The Allocation of Regulatory Competence in the EU Emissions Trading Scheme*

Joséphine van Zeben

*The Eurozone Crisis: A Constitutional Analysis*

Kaarlo Tuori and Klaus Tuori

*International Trade Disputes and EU Liability*

Anne Thies

*The Limits of Legal Reasoning and the European Court of Justice*

Gerard Conway

*New Governance and the Transformation of European Law: Coordinating EU Social Law and Policy*

Mark Dawson

*The Lisbon Treaty: A Legal and Political Analysis*

Jean-Claude Piris

*The European Union's Fight Against Corruption: The Evolving Policy Towards Member States and Candidate Countries*

Patrycja Szarek-Mason

*The Ethos of Europe: Values, Law and Justice in the EU*

Andrew Williams

*State and Market in European Union Law: The Public and Private Spheres of the Internal Market before the EU Courts*

Wolf Sauter and Harm Schepel

*The European Civil Code: The Way Forward*

Hugh Collins

*Ethical Dimensions of the Foreign Policy of the European Union: A Legal Appraisal*

Urfan Khaliq

*Implementing EU Pollution Control: Law and Integration*

Bettina Lange

*European Broadcasting Law and Policy*

Jackie Harrison and Lorna Woods

*The Transformation of Citizenship in the European Union: Electoral Rights and the Restructuring of Political Space*

Jo Shaw

*The Constitution for Europe: A Legal Analysis*

Jean-Claude Piris

*The European Convention on Human Rights: Achievements, Problems and Prospects*

Steven Greer

*Social Rights and Market Freedom in the European Constitution: A Labour Law Perspective*

Stefano Giubboni

*EU Enlargement and the Constitutions of Central and Eastern Europe*

Anneli Albi

Cambridge University Press & Assessment  
978-1-009-21661-6 — The New Economic Governance of the Eurozone  
Paul Dermine  
Frontmatter  
[More Information](#)

---

# **The New Economic Governance of the Eurozone**

## **A Rule of Law Analysis**

---

Paul Dermine  
*Court of Justice of the European Union*

Cambridge University Press & Assessment  
978-1-009-21661-6 — The New Economic Governance of the Eurozone  
Paul Dermine  
Frontmatter  
[More Information](#)

## CAMBRIDGE UNIVERSITY PRESS

University Printing House, Cambridge CB2 8BS, United Kingdom  
One Liberty Plaza, 20th Floor, New York, NY 10006, USA  
477 Williamstown Road, Port Melbourne, VIC 3207, Australia  
314–321, 3rd Floor, Plot 3, Splendor Forum, Jasola District Centre,  
New Delhi – 110025, India  
103 Penang Road, #05–06/07, Visioncrest Commercial, Singapore 238467

Cambridge University Press is part of the University of Cambridge.

It furthers the University's mission by disseminating knowledge in the pursuit of education, learning, and research at the highest international levels of excellence.

[www.cambridge.org](http://www.cambridge.org)  
Information on this title: [www.cambridge.org/9781009216616](http://www.cambridge.org/9781009216616)  
DOI: 10.1017/9781009216630

© Paul Dermine 2022

This publication is in copyright. Subject to statutory exception and to the provisions of relevant collective licensing agreements, no reproduction of any part may take place without the written permission of Cambridge University Press.

First published 2022

*A catalogue record for this publication is available from the British Library.*

ISBN 978-1-009-21661-6 Hardback

Cambridge University Press has no responsibility for the persistence or accuracy of URLs for external or third-party internet websites referred to in this publication and does not guarantee that any content on such websites is, or will remain, accurate or appropriate.



*To Lauranne*

Cambridge University Press & Assessment  
978-1-009-21661-6 — The New Economic Governance of the Eurozone  
Paul Dermine  
Frontmatter  
[More Information](#)

---

## Contents

<i>Series Editors' Preface</i>	page xvii
<i>Foreword by the Supervisors</i>	xix
<i>Acknowledgments</i>	xxi
<i>Table of Cases</i>	xiv
<i>List of Abbreviations</i>	xxx
<b>Introduction</b>	1
1 Solidarity in Times of Crisis: COVID-19 and Postpandemic Recovery	1
2 A Decade of Crises and the Transformation of EU Economic Governance	2
3 The New Economic Governance of the Eurozone: A System in Need of Constitutional Enquiry: Fundamentals of the Book	6
4 The Rule of Law as an Analytical Benchmark: Some Theoretical Underpinnings	9
4.1 What Rule of Law? A Teleological and Contextual Approach to the Rule of Law	10
4.2 A "Rule of Law" Checklist for Postcrisis Economic Governance in the Eurozone	18
4.3 The "Rule of Law" Credentials of EU Economic Governance in the Postcrisis Era: Looking for Gaps and Ways to Bridge Them	21
5 Structure of the Book	22

**Part I The New Economic Governance of the Eurozone:  
 A Descriptive and Conceptual Account**

<b>1 The New Economic Governance of the Eurozone:    Structure and Functioning</b>	27
1.1 A Necessary Prerequisite: A Brief Overview of EU Economic Governance in the Precrisis Era	27
1.1.1 The Economic Pillar of the EMU: Design Choices in Maastricht	27
1.1.2 The Economic Pillar of the EMU: Initial Architecture and Precrisis Developments	33
1.2 The Profound Overhaul of Budgetary Governance in the Eurozone	41
1.2.1 A Stricter and More Comprehensive Regulatory Regime: The New Fiscal Discipline of the Eurozone	43
1.2.2 The Deepening of the Surveillance Paradigm	49
1.3 The Broadening of Economic Coordination: The Macroeconomic Imbalance Procedure	58
1.3.1 The Macroeconomic Imbalance Procedure: Founding Philosophy and Basic Tenets	59
1.3.2 The Preventive Arm of the Macroeconomic Imbalance Procedure	60
1.3.3 The Corrective Arm of the Macroeconomic Imbalance Procedure: The Excessive Imbalance Procedure	62
1.4 Streamlining and Rationalizing Economic Coordination: A Single Procedural Framework – The European Semester	64
1.4.1 The European Semester: Rationale and Structural Elements	64
1.4.2 The European Semester Timeline	66
1.4.3 The European Semester: Longevity through Flexibility	71
1.4.4 The Institutional Dynamics of the European Semester	73
1.5 New Compliance-Inducing Mechanisms for EU Economic Governance	77

1.5.1	Smarter Sanction Regimes: Continuing the Punitive Logic	78
1.5.2	Developing Positive Incentives: “Carrots Instead of Sticks” and the Rise of the Conditionality Logic	82
1.5.3	National Ownership and Decentralized Pressure towards Compliance	94
	Conclusion to Chapter 1	94
<b>2</b>	<b>Postcrisis Economic Policy Coordination in the Eurozone: A Conceptual Appraisal from the Governance Perspective</b>	96
2.1	A Preliminary: The Rationale for Economic Coordination within the EMU	97
2.2	The Precrisis Coordination Pattern	99
2.3	The Postcrisis Coordination Pattern	107
2.3.1	Economic Governance in the Postcrisis Era: Two Key Trends	107
2.3.2	Postcrisis Economic Policy Coordination in the Eurozone: Founding Pattern and Key Features	116
	Conclusion to Chapter 2	140
	<b>Part II The New Economic Governance of the Eurozone: A Rule of Law Analysis</b>	
<b>3</b>	<b>The New Economic Governance of the Eurozone and the Competence Allocation System of the EU</b>	145
3.1	Economic Policy in the EU Competences Constellation: A View from the Treaties	146
3.1.1	Primary Law and Economic Policy	146
3.1.2	Delineating the Union Competence for Economic Policy	148
3.2	EU Economic Policy after the Eurocrisis: Within the Bounds or <i>Ultra Vires</i> ?	153
3.2.1	Reforming Economic Governance through Articles 121(6) and 126(14) TFEU	153
3.2.2	The Emergence of a Eurozone-Specific Regime via Article 136 TFEU	155

## XIV CONTENTS

3.2.3	Strengthening Economic Governance through International Law	159
3.2.4	Economic Policy Reforms and the Eurocrisis: Within the Bounds or Ultra Vires?	153
3.3	Further Deepening the Economic Pillar: Any Remaining Margin of Manoeuvre under the Current Treaty Structure? The Lessons of COVID-19	161
3.3.1	Towards the Outer Edge of Constitutional Feasibility?	161
3.3.2	Exploring New Constitutional Spaces: The Fiscal and Economic Response to COVID-19	163
	Conclusion to Chapter 3	167
<b>4</b>	<b>The Internal Quality of the New Economic Governance of the Eurozone: The Case of Fiscal Policy Rules</b>	<b>170</b>
4.1	Introduction	170
4.2	The Economic Pillar of the EMU, the Rules-Based Paradigm and its Confirmation in the Aftermath of the Eurocrisis	171
4.3	An Assessment of the Internal Quality of Postcrisis Budgetary Discipline in the Eurozone	174
4.3.1	Internal Quality as a Constitutional Benchmark	174
4.3.2	The Eurozone's Fiscal Rulebook in the Postcrisis Era: A Qualitative Assessment	177
4.3.3	The Internal Morality of Budgetary Discipline in the Postcrisis Era: A Few Intermediate Conclusions	196
4.4	Which Way Forward? Suggestions to "Remoralize" Fiscal Discipline in the Eurozone	198
4.4.1	Action on the Rules	202
4.4.2	Institutional Reorganization: Rethinking the Position of the Commission	205
4.5	As a Conclusion: The Urgency of a Refined Approach to the Rules-Based Paradigm	208

<b>5</b>	<b>The New Economic Governance of the Eurozone and the (Im)Possibilities of External Review</b>	212
5.1	Avenues for Judicial Review: The Road to Luxembourg	215
5.1.1	Introductory Elements	215
5.1.2	Access to the Court of Justice: Passing the Hurdle of Admissibility	217
5.1.3	Judicial Review of EU Standard Economic and Fiscal Governance: What Type of Scrutiny?	246
5.2	Other Avenues for External Review	264
5.2.1	The European Court of Auditors	264
5.2.2	The European Ombudsman	267
5.2.3	The European Union Fundamental Rights Agency	269
5.2.4	The European Fiscal Board	272
5.3	Legal Accountability, External Review and Standard Economic Governance: Lifting the Constitutional Uncertainty	275
<b>6</b>	<b>The New Economic Governance of the Eurozone and the Sustainability of EU Fundamental Rights</b>	279
6.1	A Preliminary: Fundamental Rights Protection and the Rule of Law in the EU	279
6.2	The EU Fundamental Rights Regime and the New Economic Governance of the Eurozone: General Observations	280
6.2.1	The Applicability of EU Fundamental Rights Law in the Context of Eurozone Standard Economic Governance	281
6.2.2	The EU Fundamental Rights Regime, the “Rights v. Principles” Distinction and the Painful Relevance of Social Rights	294
6.3	The Sustainability of EU Fundamental Rights under the New Economic Governance of the Eurozone: The Role of Decisionmakers	296
6.3.1	The Internalization of Fundamental Rights by Policymakers: General Considerations	297

6.3.2	Fundamental Rights Mainstreaming and Eurozone Economic Governance: An Assessment	299
6.4	The Sustainability of EU Fundamental Rights under the New Economic Governance of the Eurozone: The Role of External Reviewers	321
6.4.1	The Role of the European Court of Justice	321
6.4.2	The Role of the Fundamental Rights Agency	335
6.5	Fundamental Rights under the New Economic Governance of the Eurozone: An Assessment	335
	<b>Conclusion: The Rule of Law, the Role of Law and Economic Governance in the Eurozone</b>	338
1	The Intrinsic Value of a “Rule of Law”-Based Analysis of Eurozone Economic Governance	338
1.1	The Rule of Law and Economic Governance in the Pre-Crisis Era: Two Separate Worlds	338
1.2	The Continued Distinctiveness of Economic Governance	339
1.3	Beyond the Distinctiveness: Making the Worlds of the Rule of Law and Economic Governance Meet	345
2	A Constitutional Assessment of Eurozone Economic Governance through the Rule of Law: Drawing the Lines Together	347
2.1	Criteria-Specific Findings	348
2.2	The New Economic Governance of the Eurozone: a Nonarbitrary and Trust-Generating System?	351
2.3	The New Economic Governance of the Eurozone and the Rule of Law: A Structural Misalignment	353
3	Consolidating the Constitutional Settlement of Eurozone Economic Governance: Shortterm and Longterm Avenues for Change	353
	<i>Bibliography</i>	358
	<i>Index</i>	385



## Series Editors' Preface

In the 2010s, the Eurozone underwent a tumultuous decade, beginning with the sovereign debt crisis and ending with the beginnings of the Covid-19 pandemic. In this period, Europe's economic governance framework has been transformed fundamentally, from a loose structure of national economic coordination to a much more advanced framework with the potential to intervene deeply in national economic (and hence political) choices. It would be shocking if such a fundamental change to the EU's policy structure did not have serious rule of law implications. As Paul Dermine's fascinating new book tells us, the rule of law challenges emerging from the Eurozone's transformation are deep and lasting (and increasingly define the relationship between national and EU law and policy).

There is already a literature on the Eurozone crisis and its constitutional implications. Dermine's book, however, significantly adds to this scholarship in at least three ways. The first is that it offers a compelling account of "new economic governance" itself, or of what has really changed in the EU's economic structure. As Dermine shows, the lesson the Union drew from the Euro crisis was a need to radically increase the scope for supra-national intervention in domestic policy choices, allowing the EU to increasingly craft an economic policy independently of the preferences of national policymakers. This entails not just a procedural structure for vertical monitoring and supervision but a *substantive economic policy* through which the Union exerts pressure on its Member States to follow a particular policy mix. As the book illustrates, this mix is often highly prescriptive even if it changes over time (from the heavy austerity focus of the early 2010s to the more relaxed fiscal posture of today).

## XVIII SERIES EDITORS' PREFACE

The second is the book's compelling argument for examining EU economic governance from a constitutional and rule of law perspective. As Dermine shows, the transformation discussed above significantly alters the form and normative guarantees offered by EU law. Most of the main issues scholarship in EU law addresses – from the balance of national/EU competences to the availability of judicial protection – are highly affected by the changes in EU economic governance occurring in the last decade. By developing a concept of the rule of law, adapted to the features of the EU as a polity, Dermine's book develops a robust theoretical framework to evaluate normative deficiencies in the new Eurozone. As Dermine illustrates, the new economic governance displays what he terms a “structural misalignment” with EU constitutional law, worryingly discarding many of the rule of law guarantees EU law offers (e.g. its attachment to precise and stable rules and to individual judicial protection).

The book's third novel contribution is to offer ways forward. The book is not content to point to problems but includes within each chapter a series of reforms flowing from its analysis. These range from the concrete and detailed (e.g. altering how the EU institutions conduct the prelegislative and policymaking process) to the more general (e.g. a new approach by the CJEU to judicial review and the scrutiny of economic policy-makers). As Dermine shows us, even in the absence of Treaty change, the very flexibility that allowed economic decision-makers to transform the Eurozone without transforming the Treaty itself at the same time allows the many rule of law gaps Dermine identifies to be addressed. The book is also therefore innovative in showing us how a Eurozone with firmer constitutional foundations could be built.

Dermine's thought-provoking book is a necessary read for anyone interested in the law of EU economic governance. At the same time, it shows us more broadly how the EU's response to policy crises carries the potential to fundamentally challenge and transform EU law (while giving lawyers tools to resist the most negative effects of rule of law erosion). The book therefore provides an echo well beyond the Eurozone. We are very pleased to welcome it as the newest addition to the *Cambridge Studies in European Law and Policy* series.

**Mark Dawson**  
**Laurence Gormley**  
**Jo Shaw**

## Foreword by the Supervisors

This monograph engages in a systematic and critical analysis of one of the most – if not the most – dynamic areas of EU law in the past decade, its economic governance. Paul Dermine reminds us of the early years of the policy and the key choices for its design made in the Treaty of Maastricht. He highlights the main features of the early shape of the policy as enshrined in the Stability and Growth Pact (1997), before placing considerable emphasis on the profound transformation of the policy in response to the Great Financial Crisis between 2011 and 2015 and in light of the response to the COVID-19 crisis in the form of the ambitious recovery plan for Europe, “Next Generation EU.”

As powerfully argued by the author, these transformations may be seen as having considerable implications for the Member States in the Eurozone. He stresses that taken in conjunction, the resulting complex web of norms brings fiscal and economic policies of these states under the tight scrutiny of selected European institutions. These transformative effects of economic governance unfold at a particularly broad scale, with economic governance having come to affect a vast range of social, employment, cohesion and other redistributive policies. Such effects also operate in a remarkably intrusive manner owing to a diversified approach to compliance and enforcement as illustrated by the logic of conditionality underlying the recent recovery plan.

The monograph convincingly points at the weaknesses of the constitutional safeguards set up at EU level to protect the rule of law in the field. In an ambitious theoretical exercise, Paul Dermine spells out what he understands to be the essential rule of law safeguards applicable to contemporary challenges in the field. These range from traditional concerns for external review and fundamental rights protection to a call for respect for the system of allocation of competences in the European Union and demands in terms of quality of the law in a field characterized, in the past decade, by its lack of clarity and publicity.

XX FOREWORD BY THE SUPERVISORS

Importantly, this book contributes to scholarship in three main respects: It contributes to theorizing the rule of law for the purpose of applying its benchmarks to new forms of governance at European level, which may be relevant for other policy areas of EU law such as the field of migration. The book also provides a sound and critical understanding of the Union's contemporary economic governance and its deep and potentially unsettling implications for the Member States. Finally, the author takes a strong normative stance in favor of greater emphasis on the quality of lawmaking in the field, closer judicial review and better protection of fundamental rights.

It is a great honor for supervisors of a doctoral research project to be invited to introduce the outcome of that project in such a prestigious form as that of a monograph published with Cambridge University Press. The author can be praised for his outstanding and independent work. We are delighted that his writing can hereby be made accessible to peers, students, practitioners and officials who will unquestionably learn from reading it.

**Elise Muir and Monica Claes**

## Acknowledgments

At the start of the research project that ultimately led to this book lies the Eurozone crisis, the extraordinary set of developments it brought about in the economic, political and legal spheres, and the transformations it precipitated in the Economic and Monetary Union. The idea that law should not only serve as an instrument of integration but also ought to act as an external reference that shapes, determines and eventually limits the evolution of EU policies and practices is central to this book. The book investigates the constitutional credentials that support the new economic and fiscal governance system that Europe saw progressively emerging over the past decade. It is born out of the concern that EU action, however necessary it might be, and whatever field it takes place in, ought to stay true to the foundational values and principles our Union rests on. Needless to say, the recent pandemic, and the spectacular developments it brought about (which this book also examines), has only confirmed such preoccupation.

Written between Maastricht, Brussels, Berlin, Leuven and Florence, this book truly constitutes a European endeavor. It originates from my doctoral research, which was conducted jointly at the faculties of law of Maastricht University and KULeuven between 2016 and 2020. The dissertation was later turned into a book at the European University Institute, on the hills of Fiesole, where I spent the academic year 2020–2021 as a Max Weber Fellow. The manuscript was completed in September 2021.<sup>1</sup> I am grateful to a number of friends and colleagues who helped and carried me along the way.

<sup>1</sup> By then, I had already started working as a *référéndaire* at the Court of Justice of the European Union. Naturally, the ideas and arguments presented in this book are strictly personal and may not be attributed to the Court.

## XXII ACKNOWLEDGMENTS

My gratitude goes first to my two doctoral supervisors: Professor Monica Claes (Maastricht University) and Professor Elise Muir (KULeuven). Each in their own way, these two brilliant academics and inspiring women provided me with the supervision, the freedom, the space to think and the gentle nudges that I needed as a young researcher. Without them, this book would never have been written, and I would not have been able to flourish, both academically and personally, as I have over the past few years.

I must also thank Professor Mark Dawson and Professor Alicia Hinarejos for being such great sources of academic inspiration, for joining my supervisory committee and for investing time and resources to accompany me along my doctoral journey. Professor Dawson should also be thanked for welcoming me at the Hertie School of Governance in Spring 2018, for a research stay that proved truly instrumental in my doctoral experience. I am also very much indebted to the other members of my reading committee: Professor Bruno De Witte, whose encyclopedic knowledge of EU law, challenging comments and reassuring presence greatly contributed to the success of this research endeavor; Professor Phedon Nicolaides, who kept reminding me of the intrinsically multidisciplinary nature of my research topic and let me teach a great course on “The Law of the Economic and Monetary Union” with him; and finally, Professor Piet Van Nuffel and Professor Melchior Wathelet whose insightful comments, institutional experience and pragmatic approach greatly contributed to my work. Last but not least, I wish to thank Professor Claire Kilpatrick for her excellent mentorship during my time at the European University Institute (EUI) and for convincing me to include a social dimension in my research.

A successful research endeavor also crucially depends on the quality of one’s academic environment. Everywhere I have been, in Maastricht, Leuven, Berlin or Florence, I have benefited from optimal working conditions, which enabled me to thrive both personally and intellectually. Primarily this has to do with the wonderful colleagues and friends that I have met along the way. Thanking them all is impossible, but Diane Fromage, Mariolina Eliantonio, Matteo Bonelli, Annalisa Volpato, Pauline Melin, Menelaos Markakis and Christy-Ann Petit certainly deserve a special mention.

An academic book is as much the product of endless hours of personal research as it is shaped by inspiring exchanges with experts and brilliant minds. I wish to thank the following individuals for sharing their thoughts on the evolution of the Economic and Monetary Union (EMU)

and commenting on specific aspects of my work: Professor Fabian Amtenbrink, Professor Antoine Bailleux, Professor Deirdre Curtin, Professor Federico Fabbrini, Professor Sacha Garben, Professor Mark Hallerberg, Professor Markus Jachtenfuchs, Professor Christian Joerges, Professor Mattias Kumm, Professor Francesco Martucci, Professor Aoife Nolan, Professor Jan-Herman Reestman, Professor René Repasi, Professor Takis Tridimas, Professor Klaus Tuori, Professor Antoine Vauchez, Professor Ellen Vos, Professor Neil Walker, Professor Allan Williams, Dr Vestert Borger, Dr Nicolas Cariat, Dr Fernando Losada Fraga, Dr Marijn Van Der Sluis, Dr Napoleon Xanthoulis, Jean-Paul Keppenne, Leo Flynn, Alberto De Gregorio Merino and Richard Crowe.

A special thanks is also due to three other academic individuals. Professor Marc Verdussen introduced me to the beauties of public law and supervised my early research at the Université Catholique de Louvain. Professor Olivier De Schutter convinced me to include an EU dimension in my work and has supported each and every academic step I made since we met at the College of Europe in 2013. Professor Gráinne De Búrca acted as my mentor during my American adventure at New York University, helped me trace my own path in international academia and has constituted a great source of inspiration ever since. Each in their own way, they have deeply influenced me as a student and a researcher and played a key role in my choice to engage in academic research. They deserve my sincerest thanks.

I am also grateful to the series editors, Mark Dawson, Laurence Gormley and Jo Shaw, for accepting this book in their Cambridge Studies in European Law and Policy, and to Tom Randall for his editorial help and support.

Last but not least, I must also pay tribute to the nonacademic supporters of this research endeavor. *Un grand merci* to my siblings Thomas, Raphaëlle and Elise (the other academic in the tribe) for their unwavering support, their patience and the pride each of them inspires in me. My sincerest thanks to my mother Françoise, for confronting me, from very early on, with the complexities of the outside world and for instilling the desire in me to decipher them; and to my father Pierre, for teaching me the pleasure that rewards effort and the taste of a job well done. Words fail to express all I owe to Lauranne, my partner and first supporter in all things I undertake. Even though she might not realize it, she is behind each and every line of this book.

## Table of Cases

### European Union

#### *Court of Justice*

- Case 25/62 *Plaumann v. European Commission* [1963] ECLI:EU:C:1963:17.
- Case C-22/70 *Commission v. Council* [1971] ECLI:EU:C:1971:32.
- Case C-5/71 *Aktien-Zuckerfabrik Schöppenstedt v. Council of the European Communities* [1971] ECLI:EU:C:1971:116.
- Case C-132/77 *Société pour l'Exportation des Sucres v. European Commission* [1978] ECLI:EU:C:1978:99.
- Case C-182/80 *Gauff* [1982] ECLI:EU:C:1982:78.
- Case C-60/81 *IBM v. Commission* [1981] ECLI:EU:C:1981:264.
- Case C-294/83 *Les Verts v. Parliament* [1986] ECLI:EU:C:1986:166.
- Case C-70/88 *European Parliament v. Council of the European Communities* [1991] ECLI:EU:C:1991:373.
- Case C-322/88 *Salvatore Grimaldi v. Fonds des maladies professionnelles* [1989] ECLI:EU:C:1989:646.
- Case C-269/90 *Technische Universität München* [1991] ECLI:EU:C:1991:438.
- Case C-188/91 *Deutsche Shell Aktiengesellschaft* [1993] ECLI:EU:C:1993:24.
- Case C-309/96 *Annibaldi* [1997] ECLI:EU:C:1997:631.
- Case C-386/96P *Société Louis Dreyfus v. Commission* [1998] ECLI:EU:C:1998:193.
- Case C-352/98 *Bergaderm and Goupil v. European Commission* [2000] ECLI:EU:C:2000:361.
- Case C-50/00 *Union de Pequenos Agricultores v. Council* [2002] ECLI:EU:C:2002:462.



- Case C-57/00 Freistaat Sachsen [2003] ECLI:EU:C:2003:510.  
Case C-207/01 Altair Chimica [2003] ECLI:EU:C:2003:451.  
Case C-486/01 Front National v. European Parliament [2004] ECLI:EU:C:2004:394.  
Case C-263/02P Commission v. Jégo-Quéré [2004] ECLI:EU:C:2004:210.  
Case C-12/03 Tetra Laval [2005] ECLI:EU:C:2005:87.  
Case C-27/04 Commission v. Council [2004] ECLI:EU:C:2004:436.  
Case C-11/05 Friesland Coberco Dairy Food [2006] ECLI:EU:C:2006:312.  
Case C-229/05 PKK and KNK v. Council [2007] ECLI:EU:C:2007:32.  
Joined cases C-402/05 and C-415/05 Kadi and Al Barakaat v. Council [2008] ECLI:EU:C:2008:461.  
Case C-55/06 Arcor [2008] ECLI:EU:C:2008:244.  
Case C-275/06 Promusicae [2008] ECLI:EU:C:2008:54.  
Case C-521/06 Athinaiki Techniki v. Commission [2008] ECLI:EU:C:2008:422.  
Case C-555/07 Küçükdeveci [2010] ECLI:EU:C:2010:21.  
Case C-58/08 Vodafone and Others [2010] ECLI:EU:C:2010:321.  
Case C-137/08 VB Pénzügyi Lizing [2010] ECLI:EU:C:2010:659.  
Case C-425/08 Enviro Tech [2009] ECLI:EU:C:2009:635.  
Joined cases C-92/09 and C-93/09 Volker und Schecke [2010] ECLI:EU:C:2010:662.  
Case C-343/09 Afton Chemical Limited [2010] ECLI:EU:C:2010:419.  
Case C-386/10P Chalkor v. Commission [2011] ECLI:EU:C:2011:815.  
Joined cases C-411/10 and C-493/10 N.S. et al. [2011] ECLI:EU:C:2011:865.  
Joined cases C-463/10 and C-475/10 Deutsche Post and Germany v. Commission [2011] ECLI:EU:C:2011:656.  
Case C-468/10 ASNEF [2011] ECLI:EU:C:2011:777.  
Case C-617/10 Aklagaren v. Hans Akerberg Fransson [2013] ECLI:EU:C:2013:105.  
Case C-256/11 Dereci et al. v. Bundesministerium für Inneres [2011] ECLI:EU:C:2011:734.  
Case C-283/11 Sky Österreich [2013] ECLI:EU:C:2013:28.  
Case C-418/11 Texdata Software [2013] ECLI:EU:C:2013:588.  
Case C-510/11P Kone and Others v. Commission [2013] ECLI:EU:C:2013:696.  
Case C-583/11P Inuit Tapiriit Kanatami and Others v. Parliament and Council [2013] ECLI:EU:C:2013:625.  
Case C-176/12 Association de Médiation Sociale [2014] ECLI:EU:C:2014:2.  
Case C-203/12 Billerud Karlsborg AB [2013] ECLI:EU:C:2013:664.

## XXVI TABLE OF CASES

- Case C-274/12P Telefonica SA v. Commission [2013] ECLI:EU:C:2013:852.  
Case C-293/12 Digital Rights Ireland [2014] ECLI:EU:C:2014:238.  
Case C-356/12 Glatzel [2014] ECLI:EU:C:2014:350.  
Case C-370/12 Pringle v. Government of Ireland et al. [2012] ECLI:EU:C:2012:756.  
Case C-31/13 Hungary v. Commission [2014] ECLI:EU:C:2014:70.  
Case C-198/13 Julian Hernandez v. Reino de Espana [2014] ECLI:EU:C:2014:2055.  
Case C-201/13 Deckmyn [2014] ECLI:EU:C:2014:2132.  
Case C-206/13 Siragusa v. Regione Sicilia [2014] ECLI:EU:C:2014:126.  
Case C-265/13 Torralbo Marcos v. Korota SA [2014] ECLI:EU:C:2014:187.  
Case C-329/13 Ferdinand Stefan [2014] ECLI:EU:C:2014:815.  
Case C-62/14 Gauweiler et al. v. Deutscher Bundestag [2015] ECLI:EU:C:2015:400.  
Case C-64/14P von Storch et al. v. European Central Bank [2015] ECLI:EU:C:2015:300.  
Case C-258/14 Eugenia Florescu and Others v. Casa Județeană de Pensii Sibiu and Others [2017] ECLI:EU:C:2017:448.  
Case C-362/14 Schrems v. Data Protection Commissioner [2015] ECLI:EU:C:2015:650.  
Case C-419/14 WebMindLicenses [2015] ECLI:EU:C:2015:832.  
Case C-526/14 Kotnik [2016] ECLI:EU:C:2016:570.  
Case C-613/14 James Elliot Construction v. Irish Asphalt Limited [2016] ECLI:EU:C:2016:821.  
Joined cases C-8/15P to C-10/15P Ledra Advertising et al. v. European Commission and ECB [2016] ECLI:EU:C:2016:701.  
Joined cases C-105/15P to C-109/15P Mallis et al. v. European Commission and ECB [2016] ECLI:EU:C:2016:702.  
Case C-218/15 Paoletti v. Procura della Repubblica [2016] ECLI:EU:C:2016:748.  
Case C-589/15P Anagnostakis v. European Commission [2017] ECLI:EU:C:2017:663.  
Case C-682/15 Berlioz Investment Fund v. Directeur de l'administration des contributions directes [2017] ECLI:EU:C:2017:373.  
Case C-16/16P Kingdom of Belgium v. Commission [2018] ECLI:EU:C:2018:79.  
Case C-64/16 Associação Sindical dos Juizes Portugueses v. Council [2018] ECLI:EU:C:2018:117.  
Joined cases C-569/16 and C-570/16 Stadt Wupperthal v. Bauer [2018] ECLI:EU:C:2018:871.

- Joined cases C-622/16P to C-624/16P *Scuola Elementare Maria Montessori v. Commission* [2018] ECLI:EU:C:2018:873.
- Joined cases C-177/17 and C-178/17 *Gino Sas and Garavaldi v. Ministero della Giustizia* [2017] ECLI:EU:C:2017:656.
- Case C-493/17 *Weiss* [2018] ECLI:EU:C:2018:1000.
- Joined cases C-609/17 and C-610/17 *TSN* [2019] ECLI:EU:C:2019:981.
- Joined cases C-663/17P, C-665/17P and C-669/17P *ECB v. Tratsa Komerbanka* [2019] ECLI:EU:C:2019:923.
- Case C-49/18 *Carlos Escribano Vindel v. Ministerio de Justicia* [2019] ECLI:EU:C:2019:106.
- Case C-192/18 *Commission v. Poland (Retirement Age)* [2019] ECLI:EU:C:2019:924.
- Case C-216/18PPU *Minister for Justice and Equality* [2018] ECLI:EU:C:2018:586.
- Joined cases C-469/18 and C-470/18 *IN and JM v. Belgische Staat* [2019] ECLI:EU:C:2019:895.
- Case C-501/18 *Balgarska Narodna Banka* [2021] ECLI:EU:C:2021:249.
- Joined Cases C-597/18P, C-598/18P, C-603/18P and C-604/18P *Council of the European Union v. Chrysostomides et al.* [2020] ECLI:EU:C:2020:1028.
- Case C-619/18 *Commission v. Poland (Independence of the Supreme Court)* [2019] ECLI:EU:C:2019:531.
- Case C-911/19 *Fédération bancaire française v. Autorité de contrôle prudentiel et de résolution* [2021] ECLI:EU:C:2021:599.
- General Court*
- Case T-261/94 *Bernard Schulte v. Council of the European Union and European Commission* [2002] ECLI:EU:T:2002:27.
- Case T-105/95 *WWF UK v. Commission* [1997] ECLI:EU:T:1997:26.
- Case T-135/96 *UEAPME* [1998] ECLI:EU:T:1998:128.
- Case T-81/00 *Associacao Commercial del Aveiro* [2002] ECLI:EU:T:2002:118.
- Case T-177/01 *Jégo-Quéré v. Commission* [2002] ECLI:EU:T:2002:112.
- Case T-262/10 *Microban International and Microban v. Commission* [2011] ECLI:EU:T:2011:623.
- Case T-541/10 *ADEDY v. Council* [2012] ECLI:EU:T:2012:626.
- Case T-215/11 *ADEDY v. Council* [2012] ECLI:EU:T:2012:627.
- Case T-496/11 *United Kingdom v. European Central Bank* [2015] ECLI:EU:T:2015:133.

## XXVIII TABLE OF CASES

- Case T-224/12 *Accorinti v. European Central Bank* [2014] ECLI:EU:T:2014:611.  
Case T-492/12 *von Storch et al. v. European Central Bank* [2013] ECLI:EU:T:2013:702.  
Case T-289/13 *Ledra Advertising* [2014] ECLI:EU:T:2014:981.  
Case T-680/13 *Chrysostomides et al. v. Council of the European Union, European Commission, European Central Bank, Euro Group and the European Union* [2018] ECLI:EU:T:2018:486.  
Case T-531/14 *Sotiropoulou et al. v. Council of the European Union* [2017] ECLI:EU:T:2017:297.  
Case T-721/14 *Kingdom of Belgium v. Commission* [2015] ECLI:EU:T:2015:829.  
Case T-786/14 *Bourdouvali et al. v. Council of the European Union, European Commission, European Central Bank, Euro Group and the European Union* [2018] ECLI:EU:T:2018:487.  
Case T-368/15 *Alcimos Consulting SMPC v. European Central Bank* [2016] ECLI:EU:C:2016:438.  
Case T-712/15 *Crédit Mutuel Arkéa v. ECB* [2017] ECLI:EU:T:2017:900.

*Advocate General Opinions*

- Opinion of AG Dutheille de Lamothe in joined cases 9/71 and 11/71 *Compagnie d'Approvisionnement de Transport et Crédit and Others v. Commission* [1972] ECLI:EU:C:1972:43.  
Opinion of AG Jacobs in case C-50/00P *Union de Pequenos Agricultores v. Council* [2002] ECLI:EU:C:2002:97.  
Opinion of AG Tizzano in case C-27/04 *Commission v. Council* [2004] ECLI:EU:C:2004:313.  
Opinion of AG Kokott in case C-370/12 *Pringle v. Government of Ireland et al.* [2012] ECLI:EU:C:2012:675.  
Opinion AG Sharpston in case C-660/13 *Council of the European Union v. Commission* [2015] ECLI:EU:C:2015:787.  
Opinion of AG Cruz Villalon in case C-62/14 *Gauweiler et al. v. Deutscher Bundestag* [2015] ECLI:EU:C:2015:7.  
Opinion of AG Bot in case C-258/14 *Florescu* [2016] ECLI:EU:C:2016:995.  
Opinion of AG Wahl in joined cases C-8/15 to C-10/15 *Ledra Advertising v. European Commission and ECB* [2016] ECLI:EU:C:2016:290.  
Opinion of AG Wathelet in joined cases C-105/15P to C-109/15P *Mallis et al.* [2016] ECLI:EU:C:2016:294.  
Opinion of AG Bobek in case C-16/16P *Kingdom of Belgium v. Commission* [2017] ECLI:EU:C:2017:959.

- Opinion of AG Saugmandsgaard Oe in case C-64/16 ASJP [2018] ECLI:EU:C:2018:117.  
Opinion of AG Bobek in case C-298/16 Ispas [2017] ECLI:EU:C:2017:650.  
Opinion of AG Wathelet in case C-493/17 Weiss [2018] ECLI:EU:C:2018:815.  
Opinion of AG Bobek in case C-352/19P Région de Bruxelles-Capitale v. Commission [2020] ECLI:EU:C:2020:588.  
Opinion of AG Bobek in case C-911/19 Fédération bancaire française v. Autorité de contrôle prudentiel et de résolution [2021] ECLI:EU:C:2021:294.

## Germany

- BVerfG (Second Senate), 2 BvL 4/10, 14 February 2012.  
BVerfG (Second Senate), 2 BvR 2728/13, 4 January 2014.  
BVerfG (Second Senate), 2 BvL 2/17, 16 October 2018.  
BVerfG (Second Senate), 2 BvR 859/15, 2 BvR 1651/15, 2 BvR 2006/15, 2 BvR 980/16, 5 May 2020.

## Portugal

- Tribunal Constitucional, Decision No. 396/2011, 17 October 2011.  
Tribunal Constitucional, Decision No. 353/2012, 5 July 2012.  
Tribunal Constitucional, Decision No. 187/2013, 5 April 2013.  
Tribunal Constitucional, Decision No. 474/2013, 29 August 2013.  
Tribunal Constitucional, Decision No. 602/2013, 20 September 2013.  
Tribunal Constitucional, Decision No. 794/2013, 21 November 2013.  
Tribunal Constitucional, Decision No. 862/2013, 19 December 2013.  
Tribunal Constitucional, Decision No. 413/2014, 30 May 2014.  
Tribunal Constitucional, Decision No. 575/2014, 14 August 2014.

## Abbreviations

AGS	Annual Growth Survey
ASGS	Annual Sustainable Growth Strategy
BEPG	Broad Economic Policy Guidelines
BICC	Budgetary Instrument for Convergence and Competitiveness
CAP	Corrective Action Plan
CSR	Country-Specific Recommendation
DBP	Draft Budgetary Plan
ECA	European Court of Auditors
ECB	European Central Bank
ECJ	European Court of Justice
EDP	Excessive Deficit Procedure
EFB	European Fiscal Board
EIP	Excessive Imbalance Procedure
EISF	European Investment Stabilization Function
EMF	European Monetary Fund
EMU	Economic and Monetary Union
EPP	Economic Partnership Programme
ERM	Exchange Rate Mechanism
ESM	European Stability Mechanism
EU	European Union
EURI	European Union Recovery Instrument
FRA	Fundamental Rights Agency
IA	Impact Assessment
JER	Joint Employment Report
MFJ	Multiannual Financial Framework
MIP	Macroeconomic Imbalance Procedure
MoU	Memorandum of Understanding
MSP	Multilateral Surveillance Procedure

## LIST OF ABBREVIATIONS      XXXI

MTBO	Medium-Term Budgetary Objective
NGEU	Next Generation EU
NRRP	National Recovery and Resilience Plan
OMC	Open Method of Coordination
OMT	Outright Monetary Transactions
ORD	Own Resources Decision
RQMV	Reverse Qualified Majority Voting
RRF	Recovery and Resilience Facility
RSP	Reform Support Programme
SGP	Stability and Growth Pact
TEC	Treaty Establishing the European Community
TEU	Treaty on European Union
TFEU	Treaty on the Functioning of the European Union
TSCG	Treaty on Stability, Coordination and Governance in the EMU

Cambridge University Press & Assessment  
978-1-009-21661-6 — The New Economic Governance of the Eurozone  
Paul Dermine  
Frontmatter  
[More Information](#)

---