The Euro Area Crisis in Constitutional Perspective

ALICIA HINAREJOS

OXFORD UNIVERSITY PRESS
CONTENTS

Table of Cases xv
List of Abbreviations xix

Introduction 1

1. An Asymmetric EMU 3
   1.1 History and Design of EMU 3
   1.2 The Stability and Growth Pact and Measures of Coordination before the Crisis 7

2. The Euro Area Crisis 11

3. Institutional Responses to the Crisis 15
   3.1 Stabilization: the ECB and Mechanisms of Financial Assistance 16
   3.2 Budgetary Surveillance and Economic Coordination Measures 29
   3.3 Financial Regulation and Banking Union 40
   3.4 Final Remarks 48

4. The Evolution of EMU: Challenges and Underlying Principles 51
   4.1 Challenges for an EMU-like System 52
   4.2 The Evolution of EMU 54

5. The Mechanics of EMU Integration: Instruments and Competence 65
   5.1 The Mechanics of Fiscal and Economic Integration within EMU 67
5.2 EU Competence and Fiscal and Economic Integration 72
5.3 Broader Effects on Social Policy and the Economic Constitution 79

6. Intergovernmentalism 85
6.1 Executive Dominance and Intergovernmentalism 85
6.2 The Resurgence of Intergovernmentalism and its Causes 87
6.3 Intergovernmentalism, Credibility, and Use of EU Institutions 93
6.4 Executive Dominance and Democratic Control 95
6.5 Executive Dominance and Judicial Control 100

7. The Shapes and Problems of Multi-speed Integration 103
7.1 A Special EU Regime for the Euro Area 105
7.2 Multi-speed Integration through Intergovernmental Agreements 109
7.3 Consequences of Multi-speed Integration and its Future 111
7.4 The UK as an Outlier: Litigation 115
7.5 Final Remarks 118

8. The Courts and the Crisis 121
8.1 The CJEU and the Crisis 121
8.2 The National Courts and the Crisis 144
8.3 Final Reflections 151

9. The Future of EMU: Constitutional Obstacles 155
9.1 Economic and Fiscal Union and Vertical Allocation of Competences 157
9.2 Democratic Legitimacy 159
9.3 Financial Solidarity 166
9.4 Reserved Domains and the Disappearing State 172
9.5 Reconciling the Core and the Periphery 177
<table>
<thead>
<tr>
<th>Contents</th>
<th>xiii</th>
</tr>
</thead>
<tbody>
<tr>
<td>10. The Future: Models of Further Integration</td>
<td>179</td>
</tr>
<tr>
<td>10.1 Main Challenges to be Addressed: a Reminder</td>
<td>179</td>
</tr>
<tr>
<td>10.2 A Choice for the Future</td>
<td>180</td>
</tr>
<tr>
<td>10.3 Interim Remarks</td>
<td>191</td>
</tr>
<tr>
<td>10.4 Proposals put Forward: What is Happening in Reality?</td>
<td>192</td>
</tr>
<tr>
<td>11. Concluding Remarks</td>
<td>199</td>
</tr>
<tr>
<td>Bibliography</td>
<td>203</td>
</tr>
<tr>
<td>Index</td>
<td>215</td>
</tr>
</tbody>
</table>