

# THE EUROZONE CRISIS AND THE CHOICE OF TECHNOCRACY. PRELIMINARY REMARKS ON THE INDEPENDENT FISCAL INSTITUTIONS (IFIS)\*

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1. The European Union is a successful story of integration.<sup>1</sup> Precisely, after the Second World War some European politicians decided to create a common dimension: initially only with an economic perspective and then also with political and institutional perspectives. In brief, the European project has created a single market and a common monetary policy, while the economic competence has remained in the hands of the Member States, with coordination at European level<sup>2</sup>. This is the first apparent oxymoron. The second one relates to social policy: despite a common monetary system<sup>3</sup> with a common currency<sup>4</sup> and an economic coordination, social policy is the greatest absence in European integration<sup>5</sup>. In addition, Europe – like other countries – has gone through financial and economic crises<sup>6</sup> that have tested the strengths of the European project; as well as through important institutional crises which have changed its institutional drawing. The most important example is the failure of the so called “European Constitution” and the consequent approbation of the Fiscal Treaty.

\* Scritto sottoposto a referee.

1 See NEW PACT FOR EUROPE, *Re-energising Europe. A package deal for the EU27*, November 2017, in [www.newpactforeurope.eu/](http://www.newpactforeurope.eu/), p. 9.

2 See also Tommaso PADOA SCHIOPPA, *The road to Monetary Union in Europe. The Emperor, the Kings, and the Genies*, Oxford University Press, Oxford, 2000, pp. 144-147.

3 It's interesting to consider monetary union from a historical and comparative point of view. For instance, see Lara PICCARDO, “Three Lessons from the Past: Monetary Unions in the 19th Century Europe”, in: Daniela PREDA (ed.), *The History of the European Monetary Union*, P.I.E. Peter Lang, Brussels, 2016, pp. 21-36. See also Tommaso PADOA SCHIOPPA, *The Road to Monetary Union in Europe. The Emperor, the Kings, and the Genies*, Oxford University Press, Oxford, 2000. It's important to remember that many economists criticise the monetary union and the choice of common currency, see Loukas TSOUKALIS, *In defence of Europe. Can the European Project Be Saved?*, Oxford University Press: Oxford, 2016, p. 55.

4 But «Euro is more than a currency», EUROPEAN COMMISSION, *Reflection Paper on the Deepening of the Economic and Monetary Union*, COM(2017) 291, 31 March 2017.

5 At the same time «Europe turned into a model for many people in other parts of the world: a social model stemming from an unprecedentedly ambitious attempt to reconcile democracy and markets with the aim of creating inclusive societies», e.g. TSOUKALIS, *op.cit.*, pp. 1, 3.

6 For instance, the Great Depression of 1929 and the petrol crisis of 1973.

Why is the eurozone crisis different? And how has Europe responded to the crisis?<sup>7</sup> The eurozone crisis starts in the U.S. as a bank crisis related to the subprime mortgages. When the «International financial bubble»<sup>8</sup> arrives in Europe the consequences are tragic: debt crisis and private banks crisis; overall unemployment especially in the South of Europe and in the new generations<sup>9</sup>; risks for the several European welfare systems and public services (health, pensions, social assistance, education)<sup>10</sup>. For such reasons, scholars designate this crisis with three different specifications: financial crisis, economic crisis and social crisis<sup>11</sup>. Another fitting definition of international financial crisis – very useful to better understand its implications – is the metaphor «Russian dolls»<sup>12</sup>, an allegory which directly suggests the three different levels of the crisis: the international dimension, the European dimension and the national dimension (related to the single EU Member States)<sup>13</sup>.

To fight the eurozone crisis<sup>14</sup>, European institutions have found different strategies that can be grouped in the so called “austerity measures”. Austerity is «a form of voluntary deflation in which the economy adjusts through the reduction of wages, prices and public spending to restore competitiveness, which is (supposedly) best achieved by cutting the state's budget, debts, and deficits»<sup>15</sup>. The consequences were not only purely political and economic, but most of all changed crucial legal aspects of Europe. Indeed, the strongest response to the eurozone crisis a legal innovation. In the academic world, several authors describe the eurozone crisis consequences as a new transformation in the legal order<sup>16</sup>. Reference is made in particular to the Six-Pack, «which introduced a system to monitor broader economic policies, so as

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7 See Tolek PETCH, *Legal Implications of the Euro Zone Crisis. Debt Restructuring, Sovereign Default and Euro Zone Exit*, Kluwer Law International, The Netherlands, 2014, pp. 21-65.

8 e.g. TSOUKALIS, *op.cit.*, p. 5.

9 The eurozone crisis highlights the problem of intergenerational equity in Europe. This concept, usually use for environmental issues, is also applied to economic issues. Precisely, intergenerational equity is related to debt (and public debt crisis) labour and pension system.

10 *Ibidem*.

11 The eurozone crisis is not only a merely economic and financial crisis, but also a political crisis that spread Euroscepticism and populism all over the continent. The last Italian election is a clear and unmistakable signal. See also G. PAGOULATOS, “Crisis and Transition: Regime Change, Democratization, and the Decline of Developmentalism”. In: *Greece's New Political Economy*, St. Antony's series, Palgrave Macmillan, London, pp. 80-111.

12 e.g. TSOUKALIS, *op.cit.*, p. 66.

13 *Ibidem*.

14 However, in 2015, Baldwin and Giavazzi wrote that the Eurozone crisis is «is a long way from finished». See Richard BALDWIN and Francesco GIAVAZZI, “Introduction”, in: Richard BALDWIN, Francesco GIAVAZZI, *The Eurozone Crisis A Consensus View of the Causes and a Few Possible Remedies*, A VoxEU.org eBook, CEPR Press, London, 2015, p. 18.

15 See Mark BLYTH, *Austerity. The History of a dangerous idea*, Oxford University Press, oxford, 2013, p. 2. This definition is also in Marija BARTL, Markos KARAVIAS, “Austerity and Law in Europe: An Introduction”, in: *Journal of Law and Society*, Vol. 44, 2017, p. 1.

16 Michael IOANNIDIS, “Europe's new transformations: how the EU economic constitution changed during the Eurozone crisis”, in *CMLRev*, no. 53, 2016, pp. 1237-1282. See also Thomas BEUKERS, Bruno DE WITTE and Claire KILPATRICK, “Constitutional Change through Euro-Crisis Law: Taking Stock, New Prospective and Looking Ahead”, in: Thomas BEUKERS, Bruno DE WITTE and Claire KILPATRICK, *Constitutional Change through Euro-Crisis Law*, Oxford University Press, Oxford, 2017, pp. 1-24.

to detect problems like real estate bubbles or falling competitiveness early on»<sup>17</sup>; to the Two-Pack which presented «a new cycle of monitoring for the euro area»<sup>18</sup>; and to the Treaty on Stability, Coordination and Governance (the so called Fiscal Compact) «which introduces stricter fiscal provisions than the SGP»<sup>19</sup>.

Through these new strict measures, Europe tries to exit from the eurozone crisis. In general terms, the package of these measures represents a very technical level of legislation. This transformation calls for «more independent information regarding fiscal and economic data»<sup>20</sup>. The importance of independent and technical information is evident in the Greek and Portuguese cases<sup>21</sup>. The creation and reform of pre-existing Independent Fiscal Institutions are important issues related to the concept of truthfulness and verifiability of fiscal and economic data undertaken by political institutions as the Member State's Government and Parliament. Independent from whom or what? The answer is easy: independent from the political decision-making.

This concept (technical institutions independent from the political decision-making) directly leads to Which means that technocracy consolidated in particular in developed societies with a high degree of finance. However, although technocracy seems to have a positive effect on efficiency, social and political scientist highlight a relation between technocracy and development of populism<sup>22</sup>. Referring to democracy, R. Beetsma and X. Debrun have recently asserted that in «modern democracies, decisions on government spending are typically influenced by citizens, through their role as the electorate. The recent emergence, therefore, of independent fiscal councils (IFCs), where unelected bodies of experts are given the power to oversee fiscal policy, is of considerable interest»<sup>23</sup>. Now, it's easy to think about the recent Italian election on March 4<sup>th</sup>, 2018.

The research question is “Are Independent Fiscal Institutions necessary to solve the Eurozone crisis?” The aim of this paper is to analyse the legal origin, the structure and the functioning of the Independent Fiscal Institutions, with a synthetic focus on two Independent Fiscal Institutions: the Italian “Ufficio Parlamentare di Bilancio” and the French “Haut Conseil des Finances Publiques”. The last part attempts to problematize the situation from a legal point of view through a simple and crucial question: what is the future of national budgetary sovereignty after the Eurozone crisis?

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17 eur-lex.europa.eu.

18 *Ibidem*.

19 *Ibidem*. The acronyms SGP indicates the Stability and Growth Pack.

20 Diane FROMAGE, “Creation and Reform of Independent Fiscal Institutions in EU Member States: Incomplete and Insufficient Work in Progress?”, in: Thomas BEUKERS, Bruno DE WITTE and Claire KILPATRICK, *Constitutional Change through Euro-Crisis Law*, Oxford University Press, Oxford, 2017, p. 109.

21 *Ibidem*.

22 See Christopher BICKERTON, Carlo INVERNIZZI ACCETTI, “Populism and Technocracy”, in: Cristóbal ROVIRA KALTWASSER *et.all.*, *The Oxford Handbook of Populism*, Oxford University Press, Oxford, 2017, and, looking to U.S. analysis, Ivan KEANNELLY, “Technocracy and Populism”, in: *The New Atlantis*, vol. 47, 2009, pp. 46-60.

23 Roel BEETSMA and Xavier DEBRUN (edited by), *Independent Fiscal Councils: Watchdogs or Lapdogs?*, A VoxEU.org Book CEP, R Press, London, 2018, p. vii.

2. As written in the introduction, one of the solutions found by Europe is the creation of independent institutions, responsible for surveillance of fiscal and budgetary rules and entrusted to control, from a certain standpoint, the “irresponsibility” of the political decision-maker. From a historical perspective, this idea is not new. As a matter of fact, some Independent Fiscal Institutions of similar kind have been existing for many years. For instance: the Netherlands Bureau for Economic Policy Analysis established in 1945; the Danish Economic Council founded in 1962; the Austrian Fiscal Advisory Council created in 1970 and the best-known U.S.A. Congressional Budget Office born in 1974<sup>24</sup>. For the International Monetary Fund, the Fiscal Councils are «independent public institutions aimed at strengthening commitments to sustainable public finances through various functions, including public assessments of fiscal plans and performance, and the evaluation or provision of macroeconomic and budgetary forecasts»<sup>25</sup>. For the European Commission, the function of national Independent Fiscal Institutions is to guarantee a «foster budgetary discipline and to increase national ownership of EU fiscal rules»<sup>26</sup>. More specifically, in doctrine the Member State fiscal policy’s discretion is indicated as the cause of deficit bias and pro-cyclicality<sup>27</sup>. During the eurozone crisis, Europe specifies some imperative fiscal rules with the purpose to conduct Europe, as well as Member States, out of the crisis. These rules require an independent and expert “controller”, and therefore political and economic scientists develop the idea of European Independent Fiscal Institutions (IFIs). During the crisis – also thanks to academic studies showing possible positive effects – IFIs become compulsory. Before explaining the legal bases, the functions and the structure of IFIs, it’s important to specify that there isn’t a unique model of Independent Fiscal Institutions. Summarising, there are two distinct models: on the one hand the “Independent Fiscal Authorities” and on the other hand the “Fiscal Councils”<sup>28</sup>.

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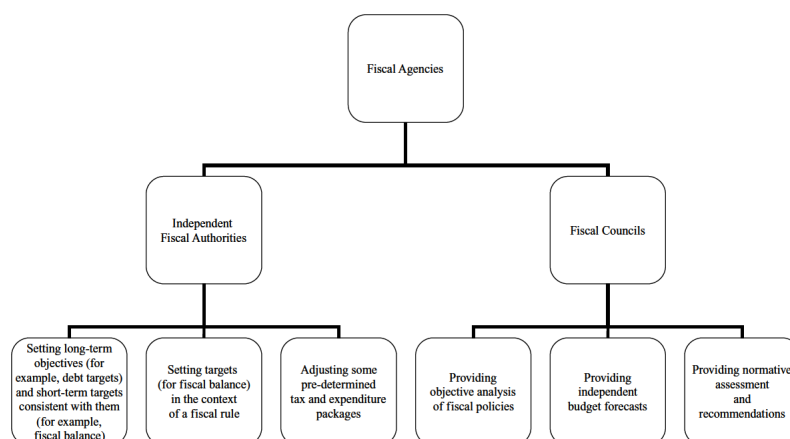
24 The data are processed by the International Monetary Fund, IMF Fiscal Council Dataset, in [www.imf.org/external/np/fad/council/](http://www.imf.org/external/np/fad/council/). As Roel Beetsma *et.al.* writes, «Over the past decade, the number of countries with independent fiscal councils (IFCs) has more than tripled, to almost 40», Roel BEETSMA, Xavier DEBRUN, Randolph SLOOF, “The Political Economy of Fiscal Transparency and Independent Fiscal Councils”, European Central Bank, Working Paper Series, No. 2091, August 2017, p. 4. See also Diane FROMAGE, *op.cit.*, p. 111.

25 *Ibidem.* See also Lars CALMFORS, Simon WREN-LEWIS, “What are fiscal councils, and what do they do?”, 21 April 2011, in [voxeu.org](http://voxeu.org) and László JANKOVICS and Monika SHERWOOD, “Independent Fiscal Institutions in the EU Member States: The Early Years”, European Commission, Discussion paper no. 067, July 2017, p. 5.

26 László JANKOVICS and Monika SHERWOOD, *op.cit.*

27 *Ibidem.*, p. 7

28 Xavier DEBRUN, David HAUNER and Manmohan S. KUMAR, “Independent Fiscal Agencies”, in: *Journal of Economic Surveys* Vol. 23, No. 1, 2009, p. 57.



Xavier Debrun, David Hauner and Manmohan S. Kumar, "Independent Fiscal Agencies", in: *Journal of Economic Surveys* Vol. 23, No. 1, 2009; p.57

In the first group there are the authorities which have «to set annual budgetary and debt targets or even to adjust the level of taxation and public expenditure»<sup>29</sup>. In the second group there are the authorities which have to present independent analyses, advices and projects on fiscal policy<sup>30</sup>.

**a.** The legal basis of the European Independent Fiscal Institutions is in Article 6(1)(b) of Directive 2011/85/EU<sup>31</sup>. This provision lays down that «without prejudice to the provisions of the TFEU concerning the budgetary surveillance framework of the Union, country-specific numerical fiscal rules shall contain specifications as to the following elements: [...] (b) the effective and timely monitoring of compliance with the rules, based on reliable and independent analysis carried out by independent bodies or bodies endowed with functional autonomy vis-à-vis the fiscal authorities of the Member States». In summary, the referred Article 6(1)(b) stipulates the Independent Fiscal Institutions (IFIs). However, focusing on the literal provision of Article 6(1)(b), there aren't any details concerning their structure and function. Other sources that regulated Independent Fiscal Institutions are Regulation (EU) No. 473/2013 and the intergovernmental Fiscal Compact Treaty (TSCG). These two-legal bases will be described in the following paragraphs.

**b.** Article 2(1)(a) of Regulation (EU) No. 473/2013, part of the Two Pack, provides this specific information<sup>32</sup>. IFIs are «'independent bodies' means bodies that are structurally independent, or bodies endowed with functional autonomy vis-à-vis the budgetary authorities of the Member State, and which are underpinned by national legal provisions ensuring a high degree of functional autonomy and accountability»<sup>33</sup>. The main features listed in Article 2(1)(a) are: a statutory regime grounded in national laws, regulations or binding administrative provisions; not taking instructions from the budgetary authorities

<sup>29</sup> László JANKOVICS and Monika SHERWOOD, *op.cit.*, p. 7.

<sup>30</sup> *Ibidem*.

<sup>31</sup> Diane FROMAGE, *op.cit.*, p. 111. This provision is part of the Six-Pack.

<sup>32</sup> *Ibidem*, p. 112.

<sup>33</sup> Article 2(1)(a) of Regulation (EU) No. 473/2013.

of the Member State concerned or from any other public or private body; the capacity to communicate publicly in a timely manner; procedures for nominating members on the basis of their experience and competence; adequate resources and appropriate access to information to carry out their mandate<sup>34</sup>. The first point to highlight is the importance given to autonomy (not taking instructions from budgetary authorities<sup>35</sup>). Independent Fiscal Institutions must be independent but, as scholars underline, this autonomy is only referred to functional autonomy and not to a deeper institutional autonomy<sup>36</sup>. The autonomy is also guaranteed by a «statutory regime grounded in national laws» or in other national sources. Finally, the autonomy is also guaranteed through adequate resources, i.e. an autonomous budget permit autonomous decision<sup>37</sup>. Another crucial characteristic of Independent Fiscal Institutions is related to the members' qualities. They have to be nominated on the basis of their experience and competence.

Concerning the functions of IFIs, rules are detailed in Article 5 and in the previous Article 2(1)(a) of Regulation (EU) No. 473/2013. IFIs, where appropriate, «provide public assessments with respect to national fiscal rules, inter alia relating to: (a) the occurrence of circumstances leading to the activation of the correction mechanism for cases of significant observed deviation from the medium-term objective or the adjustment path towards it; (b) whether the budgetary correction is proceeding in accordance with national rules and plans; (c) any occurrence or cessation of circumstances referred to in the tenth subparagraph of Article 5(1) of Regulation (EC) No. 1466/97<sup>38</sup> which may allow a temporary deviation from the medium-term budgetary objective or the adjustment path towards it, provided that such a deviation does not endanger fiscal sustainability in the medium term»<sup>39</sup>.

Other specific functions are detailed in the Treaty on Stability, Coordination and Governance (TSCG). Article 3(2) of the TSCG mentions the IFIs with reference to the Automatic Correction Mechanism: «[...] The Contracting Parties shall put in place at national level the correction mechanism [...], concerning in particular the nature, size and time-frame of the corrective action to be undertaken, also in the case of exceptional circumstances, and the role and independence of the institutions responsible at national level for monitoring compliance with the rules set out in paragraph 1. Such correction mechanism shall fully respect the prerogatives of national Parliaments»<sup>40</sup>. Such IFIs role have been detailed in the EC Common Principles on National Fiscal Correction Mechanism, at point (7) "Role and independence of monitoring institutions"<sup>41</sup>. In this document the European Commission specifies that Independent bodies

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34 *Ibidem*.

35 *Ibidem*, ii.

36 Diane FROMAGE, *op.cit.*, p. 112.

37 László JANKOVICS and Monika SHERWOOD, *op.cit.*, p. 17. See paragraph 4.3.

38 This provision lays down the following rule: «unusual event outside the control of the Member State concerned which has a major impact on the financial position of the general government or in periods of severe economic downturn for the euro area or the Union as a whole».

39 Diane FROMAGE, *op.cit.*, p. 113.

40 Treaty on Stability, Coordination and Governance.

41 EUROPEAN COMMISSION, "Communication from the Commission, Common principles on national fiscal correction mechanisms", COM(2012) 342 final, 2012, Principle 7.

«acting as monitoring institutions». IFI's «shall support the credibility and transparency of the correction mechanism. These institutions would provide public assessments over: the occurrence of circumstances warranting the activation of the correction mechanism; of whether the correction is proceeding in accordance with national rules and plans; and over the occurrence of circumstances for triggering, extending and exiting escape clauses»<sup>42</sup>. In the event of non-compliance with these rules, a Member States has to «explain publicly why they are not following the assessments of these bodies».

In conclusion, IFIs' main feature is the independence from budgetary decision-makers. This means the guarantee of a «significant degree of freedom»<sup>43</sup> for IFIs' structure and mandate.

Nevertheless, not all the European IFIs have the same structure and the same mandate. As some scholars write, in a substantive analysis of Independent Fiscal Institutions it's possible to find many differences<sup>44</sup>. The main ones are related to the type of legal basis (constitutional law, organic law or law) and to the type of set-up (IFIs connected to the National Central Bank, IFIs linked to the Ministry of Finance, or in general, to the Government, IFIs attached to the Parliament).

c. In order to explain in a practical way what is an Independent Fiscal Institution in Europe I will consider two examples: the Italian "Ufficio Parlamentare di Bilancio" and the French "Haut Conseil des finances Publiques".

The Italian Parliamentary Budget Office (PBO) is established in 2014 and it «is responsible for analysing and assessing macroeconomic and fiscal forecasts by the government and for verifying compliance with national and European fiscal rules»<sup>45</sup>. The legal bases of the Italian PBO are the Constitutional Amendment Law no. 1/2012 amended to establish an independent institution within Parliament, and Law no. 243/2012<sup>46</sup>. The PBO's composition is simple: there is a board (chairman and two member), an Economic advisor (divided in different units) and the General Director<sup>47</sup>. The main characteristic is the connection with the Parliament: the PBO is joined with the Legislator. Obviously, this features influences the functions and the role of this IFI<sup>48</sup>. In fact OECD's study shows that the PBO is different from most of the European IFIs. The difference is the so called "comply or explain" rule. In essence, if the PBO produces «assessments that significantly differ from those of the Government, then at the request of at least one-third of the members of

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42 *Ibidem*.

43 László JANKOVICS and Monika SHERWOOD, *op.cit.*, p. 10

44 *Ibidem*. See the table at p. 12.

45 [www.upbilancio.it/](http://www.upbilancio.it/).

46 This is a sort of organic law preview by the constitutional law no. 1/2012. Another law related to the Italian PBO is the Legislative Decree no. 54/2014 (transposition of Directive 2011/85/UE). See also the 17<sup>th</sup> Parliament, Nota breve no. 2, April 2013 "Establishment of a Parliamentary Budget Office", [www.senato.it/documentazione\\_bilancio?voce\\_sommario=101](http://www.senato.it/documentazione_bilancio?voce_sommario=101).

47 [en.upbilancio.it/organization-chart/](http://en.upbilancio.it/organization-chart/).

48 Lisa VON TRAPP, Ian LIENERT and Joachim WEHNER, "Principles for independent fiscal institutions and case studies", in: OECD Journal on Budgeting, Vo. 2, 2015, OECD 2016, p. 141.

the Budget Committee of either house, the Government must explain its position or accept the assessment of the PBO»<sup>49</sup>. Regarding its functions, the PBO develops forecasts and analyses related to 1) macroeconomic and public finance 2) macroeconomic impact of major legislative provisions 3) public finance developments and their compliance with budgetary rules and 4) public finance long-terms sustainability. The PBO is also involved in the correction mechanism<sup>50</sup>. Looking at the concrete activities which have been developing in these last years, OECD considers the PBO a successful example of Independent Fiscal Institution<sup>51</sup>. PBO might play a strategical role in relation to the responsibility if the Parliament when working on budget decisions. In fact, the PBO promotes the transparency of data and the respect of fiscal discipline.

The French “Haut Conseil des finances publiques” (HCFP) is different. The legal basis of HCFP is the organic law «relative à la programmation et à la gouvernance des finances publiques»<sup>52</sup>, which sets out the role of the French IFI’s in the institutional system. The first HCFP’s feature is the connection with the Court of Auditors (Cour des comptes), the President of which shall chair the HCFP<sup>53</sup>. Unlike the PBO, the HCFP has a complex structure. It’s composed by ten members and the President. But it’s not only a quantitative difference, because its composition is also related to other French institutions. In fact, the HCFP «is presided over by the First President of the Court of Auditors, and the Chief of Staff [...] is also a magistrate of the Court [...]»<sup>54</sup>. It’s also composed by four judges of the Cour des comptes, five qualified people and the general director of the “Institut national de la statistique et des études économiques” (INSEE)<sup>55</sup>. Obviously, the HCFP’s structure shows the interdependence with other institutions. Nevertheless, like the OECD’s studio highlight, the HCFP is an independent institution<sup>56</sup>. Moreover, a systematic analysis on the Cour constitutionnel’s jurisprudence shows that the HCFP’s analyses are used in judgements dealing with budgetary issues<sup>57</sup>.

**3.** This paper shows that the establishment of Independent Fiscal Institutions can be an important answer to the eurozone crisis. These independent institutions have – in general – a role related to the respect of European fiscal rules (such as, for example, the respect of the balanced budget rule). However,

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49 *Ibidem*.

50 17<sup>th</sup> Parliament, Nota breve no.2, April 2013 “Establishment of a Parliamentary Budget Office”.

51 Lisa VON TRAPP, Ian LIENERT and Joachim WEHNER, *op.cit.*, p. 149.

52 Loi organique n° 2012-1403 du 17 décembre 2012 relative à la programmation et à la gouvernance des finances publiques.

53 Article 11 of the Loi organique n° 2012-1403. See also Lisa VON TRAPP, Ian LIENERT and Joachim WEHNER, *op.cit.*, p. 117.

54 Lisa VON TRAPP, Ian LIENERT and Joachim WEHNER, *op.cit.*, p. 120.

55 [www.hcfp.fr/Organisation](http://www.hcfp.fr/Organisation).

56 Lisa VON TRAPP, Ian LIENERT and Joachim WEHNER, *op.cit.*, p. 120.

57 For instance, déc. n° 2012-653 DC, of the 9 August 2012; déc. n° 2012-658 DC, of the 13 December 2012; déc. n° 2016-742 DC, del 22 December 2016.



IFIs do not have any binding power<sup>58</sup>. This means that their advises, analyses and reports simply have an effect on the credibility of the budgetary decision-makers (Parliament and Government); i.e. they create consequences related to the accountability of national institutions<sup>59</sup>. Moreover, IFIs could have a role in improving the transparency of the national budgetary decisions and could positively and indirectly influence budgetary decision-makers. However, the establishment of Independent Fiscal Institutions can have also negative effects. For instance, today is not totally clear what will be the effect on the democratic political systems. For instance, academia has to investigate the IFIs' influence on Government, Parliament and on the judiciary power. Nowadays there aren't sufficient information's to develop a precious study.

Another important novelty is the role of IFIs in the European context. If on the one hand IFIs look like another "invasion" of the national autonomy made by Union law, on the other hand IFIs, with the new EU network of fiscal institutions, could represent a new type of cooperation in the field of economy.

Which role for IFIs in the new European economic context? The answer will be in the activities of the European Commission in the context of the European semester<sup>60</sup>.

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58 Diane FROMAGE, *op.cit.*, p. 137.

59 An exception is the Italian PBO.

60 Diane FROMAGE, *op.cit.*, p. 142.

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