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MINISTERIO DE INDUSTRIA, COMERCIO Y TURISMO INFORMACIÓN COMERCIAL ESPAÑOLA *Secretaría de Estado de Comercio*

THE FUTURE OF THE EUROPEAN UNION

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BECERRIL ATIENZA, Belén

Times of change. Analysis of the proposals for reforming the European Union institutions in 2019

Abstract: Europe has gone through its direst crisis, and now its leaders have somewhat less than a year, up to the May 2019 European elections, to put in practice some of the proposals forwarded for democratising the European Union and reforming its institutions. The present article attempts to explain the causes and consequences of the intergovernmental drift over the past decade. It then goes on to analyse and assess the proposals for reform, in particular the indirect election of the President of the Commission, the reduction of the number of commissioners, the dual Presidency of the European Commission and Council, and the drawing up of transnational candidate lists.

Keywords: European Union, institutional reform, leading candidates *Spitzenkandidaten*, college of commissioners, dual presidency, transnational candidate lists.

JEL Classification: D31, F33, L31.

FEÁS, Enrique

The social dimension of the European project

Abstract: The social dimension of the European project —a project in constant motion— has been present since the Treaty of Rome, but it has always come second to the economic construction. The Great Recession showed that a Europe built on weak social foundations not only translates into deeper financial crises, but generates disaffection among European citizens. Today, Europe continues to show major differences in social indicators and policies, but the great global challenges of the coming decades make it essential to recover the idea of a true European social policy reaching beyond the boundaries of the Nation-State and promoting effective, real convergence.

Keywords: European Union, social policy, globalisation

JEL Classification: F16, F4, F55, F6, H5.

GARCÍA REIG, Jorge; SAMBLÁS QUINTANA, Esperanza and MUÑOZ MARTÍNEZ, María J.

The budgetary policy of the EU Post-2020

Abstract: In a context marked by the exit of the United Kingdom, one of the main contributors to the EU budget, and the global migration and security crisis, the European Union faces the challenge of deciding what are its political priorities for the coming post-2020 period, how to finance them, and the acceptable level of commitment by all member States in order to achieve it. The concept of European added value is therefore at the centre of the debate and leads to a new analysis of all the EU policies from a renewed perspective.

Keywords: multiannual financial framework, European funds, financing, European added value, cohesion policy.

JEL Classification: H00, H20, H61, H70.

GUINDOS TALAVERA, Beatriz de; FORNELLS DE FRUTOS, Jordi and ROIG GUERRERO, Francisco de Paula

New developments in the implementation of the European Union competition policy in 2018

Abstract: The present article analyses the main trends in the application of competition law in the European Union in its various aspects (infringement proceedings, control of concentrations, control of state aid), with particular emphasis on new developments relating to the digital economy. Also discussed is the institutional reform contemplated in the ECN+ directive proposal.

Keywords: competition, public policies, regulation, EU.

JEL Classification: K21, L40, L81, L86.

HERNÁNDEZ DE COS, Pablo

The European Central Bank's monetary policy during the crisis and the future challenges

Abstract: In a climate of persistently low inflation and weak growth in the euro area, the European Central Bank (ECB) has applied an unprecedented array of unconventional measures, which have aided economic recovery and a very significant reduction in deflation risk. Current forecasts point to the continuation of the expansion phase and a gradual convergence of the inflation rate towards the ECB's medium-term price stability benchmark, and hence the expectation that monetary policy will progressively play a more limited role. Still monetary policy challenges persist in the medium term, including those arising from the sluggishness of salaries and the estimation of a lower natural interest rate than in the past.

Keywords: monetary policy, ECB, euro area.

JEL Classification: E52, E58, H77.

KÁISER MOREIRAS, José Luis and FRUTOS IBOR, Rocío

The European Union trade policy

Abstract: The trade policy of the European Union (EU) faces, on the one hand, a scenario of protectionism with unilateral actions by major actors that do not fit in well with the multilateral trade system; and on the other hand the absence of a level playing field in sectors such as the steel industry. In this respect, it is worth noting the scant progress achieved at the latest World Trade Organisation (WTO) Ministerial Conference, where certain multilateral initiatives were however adopted regarding the so-called «new issues». Still, the EU continues to have a packed negotiation agenda, with results including the recent provisional application of the trade agreement with Canada (CETA), the closing of the agreement with Japan, the reaching of an agreement in principle to modernise the current trade agreement with Mexico, and the advanced state of negotiations with Mercosur. As well as the forthcoming application of the agreements with Singapore and Vietnam. Another, very important trade agreement will be that signed with the United Kingdom following its decision to leave the EU.

Keywords: WTO, trade agreements, United States, Singapore, Vietnam, Japan, Mercosur, Mexico, Chile, ASEAN, G20, OECD, steel, Brexit.

JEL Classification: F13, O19.

LÓPEZ LÓPEZ, Asunción; SALAZAR ELENA, Juan Carlos and SÁNCHEZ MUÑOZ, María Paloma

The innovation capabilities of Spanish regions

Abstract: The aim of this work is to analyse the spatial behaviour of innovation in Spain in order to explore the regional differences in the use of innovation capabilities in companies and determine, on the basis of such differences, which regional profiles are more efficient in terms of innovation activity results. This information can be useful in the design of innovation policies. The findings confirm the existence of significant differences among regions in the application of certain innovative activities, which also reflect major differences among regions in terms of these innovation activities.

Keywords: innovation, knowledge, absorption capacity, regional development.

JEL Classification: O13, O16, R11.

MESTRES I CAMPS, Laia

Europe in the world. From regulatory power to a true defence Union?

Abstract: In the first decade of the 21st Century, the international identity of the European Union was built around the externalisation of internal EU values such as solidarity, humanism and justice, which are currently being put in question by legislation on a global scale. The deterioration of the liberal world order has been a severe blow to the very core of the interests and identity of EU foreign policy. In this article we shall discuss the evolution of the European Union as an international player underpinned by the construction of a new foreign policy discourse that is less based on exporting rules, and by the acquisition of greater capabilities through the development of instruments for a true common security and defence policy.

Keywords: foreign and security policy, European defence, regulatory power, European Union.

JEL Classification: D63, D74, H56.

MORENO, Pablo

Completing the Financial Union: joint action versus individual country responsibility

Abstract: The crisis has prompted the euro area to take a further step towards integration with the creation of the Banking Union (BU), which started operating in 2014. However, financial integration is still incomplete. The policies required include completing the BU with the deposit guarantee pillar, promoting a common scheme of loans of last resort for the financial system, completing the country stabilisation function, and even rethinking the institutional architecture of the Economic and Monetary Union (EMU). These policies can be discussed in terms of the dialectical opposition between joint action and individual country responsibility.

Keywords: Banking Union, European Deposit Guarantee Scheme (EDGS), public debt, doubtful debts, Sovereign bond-backed securities (SBBS), Eurobonds, European Monetary Fund (EMF), twin peaks.

JEL Classification: G32, L14, L21.

TORRES, Raymond

European fiscal policy: current situation and reform prospects

Abstract: The countries in the euro area face major challenges in their fiscal policy. In the current European system of coordination of national policies, fiscal policies tend to be procyclical, which intensifies short-term problems, affects potential growth, and hinders indebtedness. Moreover, Europe lacks instruments capable of reacting to asymmetrical shocks and correcting persistent productivity divergences like the currently existing one. There are options for reform and for promoting a European fiscal policy, which involve giving up national sovereignty in exchange for greater effectiveness and solidarity.

Keywords: international taxation, monetary policy, planning and reform.

JEL Classification: D31, F41, H31, H87.