

## **THE POLITICAL ECONOMY OF EUROPEAN INTEGRATION**

*Total length of the module: 45 hours*

*Number of sessions: 30*

*Length of each session: 1,5 h*

### **INTRODUCTION TO THE COURSE**

This course will introduce students to the main issues of economics and politics of European integration by using an economic approach. The course addresses key economic questions that arise from the process of integration.

This course draws on a core textbook, articles from journals and other documents.

Student will be oriented in the most up to date policy discussion about European integration. By the end, students will be able to apply and relate conceptual and theoretical knowledge underpinning the course of the economic and political process of European integration.

### **REQUIREMENTS**

There are no particular technical requirements for this course. However, student should manage a few basic concepts of microeconomics and macroeconomics. Basic skill in Excel and Word packages is strongly recommended.

### **CONTENTS**

1. Geography & History of European Union (EU).
2. Institutions and budget: EU laws and legitimacy in EU decision making.
3. Basic macroeconomics tools: open economics, tariffs and import protections.  
Case study: The Common Agricultural Policy (CAP)
4. State aid: competition, mergers and antitrust policies. Case study: Microsoft.
5. Growth effects and factor market integration
6. The effects of integration: labor integration
7. Labor productivity: Europe vs. US
8. European migration flows 1950-2000
9. European imbalances: core-periphery structure. The EU regional policies
10. The spatial distribution of activities across the European Union
11. Regional imbalances and convergence process
12. The effects of integration: capital integration.
13. Monetary integration: history, choice of an exchange regime
14. The European Monetary System.

## GRADING

There will be NO final exam. The assessment will be based on:

- 50% Individual course work and presentation
- 40% 3 Problem sets to be handed out
- 10% Participation

Students are required to attend classes and hand out three problem sets. A copy of the slides presented in class can be downloaded from the course website.

In addition, each student will be also required to write a short report on a selected topic (among those discussed in class) and, then, make a short presentation about it.

## BIBLIOGRAPHY

### Basic textbooks:

Baldwin, R. and Ch. Wyplosz (2006): *Economics of European Integration*, 2<sup>nd</sup> Edition, Mc Graw Hill.

Artis, M. and F. Nixon (Ed.) (2007): *The Economics of the European Union*, Oxford University Press