

The Political Economy of European Integration

2011/2012

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All the material for the course can be found at :

<http://rosellanicolini.com/studyabroad12.htm>

Course outline

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,

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.

Programme

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.

References

Basic textbook:

Baldwin, R. and Ch. Wyplosz (2006 or 2009): *Economics of European Integration*, 2nd or 3rd Edition, Mc Graw Hill

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

Other References

H. Badinger (2005): "Growth effects of economic integration: evidence from the EU Member States", *Weltwirtschaftliches Archiv*, vol. 141 (1), pp. 50-78.

R. Barro and X. Sala-i-Martin (1992): "Convergence", *Journal of Political Economics*, vol. 100(2), pp. 223-251.

T. Boeri and H. Brücker (2005): "Why are Europeans so tough on migrants", *Economic Policy*, vol. 44, October, pp 629-703.

Coeurdacier, N., R.A. De Santis, and A. Aviat (2009): "Cross border mergers and acquisitions and European Integration", *Economic Policy*, vol. 54, pp. 56-106.

P. Combes and H. Overman (2003): "The spatial distribution of economic activity in the EU", in J.F. Thisse and V. Henderson (eds) *Handbook of Urban and Regional Economics*, vol. 4, North-Holland Amsterdam.

D.W. Jorgenson, M.S. Ho and K.J. Stira (2008): "A Retrospective Look at the US Productivity Growth Resurgence", *Journal of Economic Perspectives*, vol. 22(1), pp. 3-24.

R. Inklaar, M.P. Timmer and B. van Ark (2008): "Market Service Productivity across Europe and the US", *Economic Policy*, January, vol. 53, pp.139-194.

Ph. Monfort and R. Nicolini (2000): "Regional Convergence and International Integration", *Journal of Urban Economics*, vol. 48, pp. 286-306.

B. van Ark, M. O'Mahoney, and M.P. Timmer (2008): "The Productivity Gap between Europe and the United States: Trends and Causes", *Journal of Economic Perspectives*, vol. 22(1), pp. 25-44.

World Bank (2008): *World Development Report: Reshaping Economic Geography*, The World Bank.

Other documents:

Daly, M. (2006): "EU Social Policy after Lisbon", *Journal of Common Market Studies*, vol.44(3), pp.461-481

* Brugel (2008): "Coming of age: report on the Euro Area"

* ECB (2004): "The monetary policy of the ECB"

* These documents can be download from <http://idea.uab.es/~rnicolini/political.htm>

Other hand-outs will be given, if necessary.

Basic textbooks for economic tools:

Burda, M. and Ch. Wyplosz (2005): *Macroeconomics: A European Text*, Oxford University Press.

Feenstra, R. and A. Taylor (2008): *International Economics*, Worth Publisher.

Krugman, P. and M. Obstfeld (any edition): *International Economics: Theory and Policy*, Addison Wesley.

Teaching & Assessment

Schedule of the course:

Time and place to be defined.

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

50% Individual course work and presentation

40% 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 (around 15 pages; Font 12) on a selected topic (among those we discussed in class) and, then, make a short presentation about it.

Schedule (provisional)

January 16 th , 2012	Geography and History (video)
January 18 th , 2012	Institutions
January 23 rd , 2012	Basic tools
January 25 th , 2012	CAP
January 30 th , 2012	State aid
February 1 st , 2012	Growth
February 6 th , 2012	PROBLEM SET 1
February 8 th , 2012	Labour integration (video)
February 13 th , 2012	Migration flows
February 15 th , 2012	Labour productivity- Social exclusion and financial aid (video)
February 20 th , 2012	Core-periphery structure (I) -Video -
February 22 nd , 2012	Core-periphery structure (II)
February 27 th , 2012	Spatial distribution (I)
February 29 th , 2012	PROBLEM SET 2
March 5 th , 2012	Regional imbalances and convergence
March 7 th , 2012	Capital integration
March 12 th , 2012	Monetary integration
March 14 th , 2012	NO CLASS
March 19 th , 2012	Monetary System
March 21 st , 2012	Current EURO Crisis
March 26 th , 2012	PROBLEM SET 3+ Current EURO Crisis (II)
March 28 th , 2012	Student presentations: TURN IN INDIVIDUAL REPORT
April 1 st -April 9 th 2012	Easter Break
April 11 th , 2012	Student presentations
April 16 th , 2012	Student presentations
April 18 th , 2012	Student presentations
April 23 rd , 2012	Student presentations
April 25 th , 2012	Student presentations