



Courses taught in English at the Faculty of Economic Sciences

<p>Module No.: M.WIWI-VWL.0042</p> <p>Title: European Economy</p>	<p>Credits:</p> <p>6</p>
<p>Course Content:</p> <p>The aim of this course is to cover some economic aspects of the European integration process, focusing on the European Union internally and on its relations with partners, including prospective members. Customs union theory, microeconomic policies and regional economics will be covered. Students will be expected to understand the basic economics of integration, as well as knowing how to track down up-to-date policy materials on the web. A key starting point is the official site: http://www.europa.eu.int.</p> <p>The course is organized as a series of lectures complemented with tutorials and student presentations of selected topics. Students are expected to prepare a short essay (10 pages) that has to be presented and discussed towards the end of the course. A list of topics will be available online (studip).</p> <p>The key learning objectives are:</p> <ul style="list-style-type: none">• Students should understand the extent of economic integration in the EU and the basics of EU law and its basic institutional structure and economic facts about European nations. Students should also learn the broad outline of the EU budget on the receipts and expenditure side and the basic content and the structure and problems with the Constitutional Treaty and the subsequent Treaty of reform.• Acquire knowledge of the standard open-economic supply and demand diagrams and how they can be used to analyze the positive and normative impact of tariffs. Students should also learn about the various types of trade barriers that can constrain trade.• Learn to apply open-economy supply and demand analysis to a three country setting with the aim of illustrating the main positive and normative effects of preferential liberalization on aspects of European integration. Students should also learn about the differences between customs unions and free trade areas and about WTO disciplines and about the nature of empirical studies into the effects of EU market integration.	<p>Course Type:</p> <p>56 hours lectures + 124 hours self- study</p>

<ul style="list-style-type: none"> • Learn the economics behind the notion that integrating European markets can improve economic efficiency by giving European firms better access to a wider market. As part of this, students learn about market interactions in the presence of imperfect competition and increasing returns. • Learn the economic logic that explains how integrating European markets can increase income growth rates in the medium term and in the long term and the specific features of Europe’s labour markets and key labour economics principles. Students should also learn about the sources of unemployment and the microeconomics of labour market integration and the conflict between efficiency and social imperatives, as well as understand the impact of economic integration and migration on labour markets. • Learn about the CAP, which is by far the most important policy in terms of the budget and it is one of the most important in terms of EU politics. Students should also learn about recent reforms to the CAP based on de-coupling. • Learn about the very uneven distribution of economic activity in Europe and about the economics that helps account for this result as well as using the suitable framework for understanding how deeper integration affects the distribution. Also learn about EU regional policy, essentially designed to prevent geographic concentration or to ameliorate its effects on people living in rural areas. • Acquire Knowledge of the basic facts of the EU’s trade pattern both in terms of partners and commodity composition and become familiar with the basic institutions of EU trade policy making and acquire a basic understanding of the EU’s external trade policy. 	
<p>Recommended Prerequisites:</p> <p>Macro, Micro, International Economics</p>	<p>Exam:</p> <p>(a number of short, to-the-point questions and 2 long open questions) 70%. Class work 30%.</p>
<p>Recommended Semester:</p> <p>Master 1-4</p>	<p>Cycle:</p> <p>xxx</p>

Literature:

Baldwin, R.; Wyplosz, C. (2012), *The Economics of European Integration*.
McGraw Hill Education Europe. 4rd Ed.

Lecturer:

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Zarzoso