

Course unit title:	Economics of the European Union		
Course unit code:	ABSE 403		
Type of course unit:	Compulsory		
Level of course unit:	Intermediate		
Year of study:	3 rd		
Semester when the unit is delivered:	1st		
Number of ECTS credits allocated:	6		
Name of lecturer(s):	Bernard Musyck		
Learning outcomes of the course unit:	<p>Examine how European integration came about and analyse the economic and political logic that led to the creation of the Union. Students will learn to differentiate the terms of “European Economic Community”, “European Community” and “European Union” as well as special concepts like the “<i>acquis communautaire</i>” and the term of “subsidiarity”.</p> <p>Students will understand the genesis of Europe; starting from the initial failure of a supranational organization, followed by the European Coal and Steel Community, the Common Agricultural Policy, the Single Market (to only name a few) and the new challenges affecting the Union.</p> <p>Identify how micro and macro economic tools can help understanding the logic of integration. To this end, a short introduction to the theory of trade will be proposed leading the students to understand the main arguments for free trade. In this context, students will learn of tariff and non-tariff barriers to trade have been hampering integration.</p> <p>Review the main EU policies and their effects on the economy and society. To do this end, the example of the Single Market will be analysed including the challenges it still faces today. Labour movement, immigration and asylum will also be reviewed in the context of the new challenges these pose to the process of a deeper integration between Member States. The weaker structures of the European project will be highlighted in this context.</p> <p>Analyse the monetary and fiscal aspects of the European integration process. The students will learn the concepts of “optimum currency area”, the related costs and benefits of the introduction of the EURO and the idea of “asymmetric shocks”. The aim will be to introduce the students to the challenges of Monetary Union and the possible future developments regarding fiscal union.</p>		
Mode of delivery:	<i>Ex cathedra</i> lectures, class discussions and presentations		
Prerequisites:	ABSE203, ABSE204	Co-requisites:	None
Recommended optional program components:	None		
Course contents:	<p>Introduction to history and institutions History of European Integration Basic facts, law, institutions and the budget Decision making, European terminology</p> <p>The economics of integration: tools and concepts Introduction to essential microeconomic tools and preferential liberalisation Market size and scale effects Growth effects and factor market integration Economic integration, labour markets and migration Introduction to essential macroeconomic tools</p> <p>EU Micro policies</p>		

	<p>The Common Agricultural Policy Location effects, economic geography and regional policy EU competition policy and state aid policy EU trade policy</p> <p>EU monetary and fiscal policies The theory of Economic and Monetary Union The long road to Economic and Monetary union The Eurozone: Structure, Performance and Outlook Fiscal policy and the Stability Pact The financial markets and the EURO</p>
Recommended and/or required reading:	See textbook
Textbooks:	Nello S. S, (latest edition) The European Union: Economics, Policies and History, McGraw-Hill
References:	<p>Baldwin R, and Wyplosz C, (latest edition) The economics of European Integration, McGraw-Hill</p> <p>El-Agraa A (Ed), (latest edition) The European Union: Economics and Policies, Cambridge</p> <p>Neal L, (latest edition) The Economics of Europe and the European Union, Cambridge</p>
Planned learning activities and teaching methods:	<p>Lectures, discussions and presentations by students.</p> <p>Students will also be required to watch specially selected videos (mostly documentaries) to complement their reading of the course material.</p> <p>Students will be invited to attend at least one external seminar (public talk, conference, academic presentation) on a relevant topic. If such opportunities will not be available during the course of the semester, a video recording of a relevant presentation abroad will be shown and discussed in class.</p>
Assessment methods and criteria:	Mid term (40%) and final examination (60%)
Language of instruction:	English
Work placement(s):	Not applicable