

| | |
|--------------------------|--------------------------|
| Course unit code | BE129 |
| Course unit title | European Union Economics |

| GENERAL INFORMATION | | | | |
|---|--|-----------------|------|-----------------|
| Study program | Graduate study program | | Year | 1. |
| Director of the course and assistant | Ines Kersan-Škabić, Ph.D., Professor E-mail: ikersan@unipu.hr | | | |
| Course status | X | Mandatory | X | Elective |
| Credits allocated and type of lectures | | | | |
| | | Winter semester | | Summer semester |
| ECTS students workload | | | | 7,5 |
| Number of hours per semester | | | | 75 (40L+35S) |

Course objectives, teaching and learning methods and learning outcomes

Objectives: explain characteristics and mechanism of the EU functioning with the aim of better understanding the daily activities at the EU level, but also in the Member States. A special accent is on the analysis of effects of forming custom union and functioning common market; as well as on economic policies in EU common market: agricultural, regional, monetary, industrial, trade policy, EU budget and EU enlargement process.

Teaching methods: lectures and seminar papers.

Learning outcomes: get knowledge about the responsibilities of the EU and member states; understanding of the institutional structure and process of decision-making; obtain information about concrete activities in the common policies; get the information and knowledge how to better utilize the common market. Students will be able to recognize the problem in the EU policies and create a critical opinion about it; develop critical assessment on the different topics (from the different point of views); evaluate activities on the EU level and to assess the possible consequences for the national economies, make deep analysis of a particular problem in the EU policy.

Requirements, correspondence and correlativity

It is necessary that students have knowledge from macroeconomics, microeconomics and international economics.

Correspondence (with the courses): European Economic Policy (Universita Commerciale Luigi Bocconi, Italy); The Political Economy of European Integration (London School of Economics, UK); European Economy (National University of Ireland, Galway, IRL); Economics of European Integration (Universita di Milano, Italy) and other courses about EU Economics.

Course content (list of topics)

- **Process of european integration and EU evolution.** Definition and theories of integrations. First integrations in 20 century. From ECSC to EU. The most important integrations in world Development of EU.
- **EU Institutions.** The Council of the EU, The European Council, The Commission, The European Parliament, The European Court, The Court of Auditors. Other institutions: Economic and Social Committee, The Committee of Regions. Financial institutions of EU. Types of EU decisions and decision-making process.
- **The theory and effects of custom union.** Levels and effects of integrations
- **Common market-** barriers, factor market integration: theory and evidence. Market size and

product variation. Cechini report. Mobility of factor and EU enlargement. Dynamic effects of economic integration.

- **Theory of optimal currency area and EU**
- **Monetary policy in EU.** The development of ideas about monetary integration. EMS. The Maastricht Treaty. EMU. Instruments of monetary policy. Problems of EMU functioning.
- **Fiscal policy in EU.** General budget, autonomy and coordination, fiscal discipline, The Growth and Stability Pact.
- **Common Agricultural Policy (CAP)**
Problems of agriculture production, goals and development of CAP. CAP reforms. Future of CAP.
- **Regional policy of EU**
Development, goals and instruments of regional policy. Future of regional policy. Influence of enlargement on regional policy.
- **Industrial policy in the EU.** Competition policy in the EU.
- **Competitiveness in the EU.** Lisbon strategy. Strategy Europe 2020. European semester. National Reform Programmes. Stability/Convergence Programmes.
- **Trade policy of EU**
EU and WTO. PTA towards particular groups of countries. EU and Triad
- **EU Enlargement and future of EU**
Enlargements and their effects on EU economy. Strategy of enlargement. Future of EU.
- **EU and Croatia**
Historical relationship. Process of stabilisation and association. Negotiations between EU and Croatia. Potential effects of Croatian membership in EU on Croatian and EU economy.

Modes of instruction and acquiring knowledge (mark in bold)

| Lectures | Seminars and workshops | Exercises | Individual tasks | Multimedia and internet |
|-------------------|------------------------|------------|------------------|-------------------------|
| Distance learning | Counseling | Laboratory | Tutorial | Fieldwork |

Student requirements

The student is monitored and evaluated throughout the semester as follows:

- Activity in class = 10%
- Seminar (presentations) = 20%
- Essay = 10%
- Written exam = 60%.

Assessment and evaluation of students (mark in bold)

| | | | |
|---------------------|------------------------------|----------------------|-------------------|
| Attendance | Class participation | Seminar paper | Experimental work |
| Written exam | Oral exam | Essay | Research |
| Project | Continuous assessment | Report | Practical work |

 Assessment breakdown within the *European credit transfer system*

| REQUIREMENTS | HOURS (estimation) | LEARNING OUTCOMES | SHARE IN ECTS | SHARE IN GRADE |
|-------------------|-----------------------|--|---------------|-------------------|
| Activity in class | 30 | - recognize the problem and critical discussion - evaluate activities on the EU level | 13% | 10% |
| Seminar | 50 | - deep analysis of a particular problem in the EU policy - develop critical assessment on the different topics - Capability to analyze to topic from the different point of view | 23% | 20% |
| Essay | 10 | Critical assessment of a particular topic | 4% | 10% |
| Written exam | 135 | | 60% | 60% |

According to the *Code of evaluation* the final grade is obtained as follows:

| | |
|----------------|--|
| A = 90 – 100% | 5 (excellent) = 89 – 100% of the grade |
| B = 80 – 89,9% | 4 (very good) = 76 – 88,9% of the grade |
| C = 70 – 79,9% | 3 (good) = 63 – 75,9% of the grade |
| D = 60 – 69,9% | 2 (sufficient) = 50 – 62,9% of the grade |
| E = 50 – 59,9% | |

Bibliography
Mandatory bibliography

Baldwin, R.& Wyplosz, Ch. (2012): **The Economics of European Integration**, McGraw-Hill Education

Additional bibliography

Pelkmans, J. (2006): **European Integration: Methods and Economic Analysis**, Third edition, Pearson Education.

<http://europa.eu> (different topics)

Additional information on the course