**The Economics of European Integration (MES)**

Outline for students in the “Master of European Studies” (MES) program

This version,\(^b\)

November 13, 2015

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**when and where**

The course takes place during the whole semester. There will be a lecture on Monday and a tutorial on Tuesday:

**Lecture:**
Monday, 16.15-17.45 in GD HS 3
Lectures about different topics in European Integration, see below.

**Tutorial, part 1** (12.10.15 - 29.11.15):
Tuesday, 9.30-11.00 in GD HS 5
“Culture shock Economics” - introduction to economic thinking and methods. Mandatory for MES-students.

**Tutorial, part 2** (07.12.15 - 05.02.16):
Tuesday, 9.30-11.00 in GD HS 4
Solving problem sets & exam preparation. Voluntary for MES-students

No lecture and no tutorial 30.11. / 1.12. (exam week for many other courses).

The tutorial has two parts. The first half of the semester, we will discuss the way economists think and review methods. If you had your introductory lectures in Economics (Micro, Macro, Statistics or Econometrics), this part will probably be a bit boring. However, many students might be happy to have the chance to review the fundamentals.

The second half of the semester is dedicated to problem sets and exam preparation. This part is voluntarily for MES students.

Changes (hopefully none) to this regular schedule will be announced via Moodle at [http://www.moodle.europa-uni.de](http://www.moodle.europa-uni.de).

Please register yourself as a student and make sure to check our page in Moodle frequently. Moodle is our central communication tool for the course. So, please do not use E-Mail for communication, unless it’s really necessary. I also use Moodle to provide lecture slides and other downloads, to find the topic of your paper (see below), and so on.

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\(^b\)There is a version history at the end of the document. Updates of this document will be announced via Moodle.

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examination

To earn your GM3-Schein (Grundlagenmodul 3 - Europäische Wirtschaftspolitik), you have to pass a written exam of 120 minutes. It is scheduled for Tuesday, 9 February 2016 from 11 am to 1 pm in room GD HS 3. The deadline for registration: 31 January, 2016 at 23:59.

There will be a second exam for those who didn’t take the first one or for those who failed. This will be in March 2016 (probably March 17, 8.30-10.30), details to be announced. Deadline for registration: 6 March 2016, 23:59.

The exam for MES-students will be different from the one for Bachelor students that visit the same lecture.

Please note that this course is meant for students that are NOT studying “Zentralbereich Wirtschaft” and that do NOT intend to choose “Wirtschaftspolitik in Europa”. For those students, there is another course each summer term. See the MES-KVV....

textbook, topics, readings list

The course follows roughly the structure of the textbook Baldwin and Wyplosz (2015) and will be taught in english language. Please note that I intend to use the 5th edition of the book. The 3rd and the 4th edition are also ok, but outdated in many respects. The publisher has an accompanying website at http://www.mheducation.co.uk/textbooks/baldwin. The Viadrina library also provides a number of textbooks.

A lecture will cover (roughly) a chapter from the textbook. You should consider those chapters as mandatory reading. In addition, there will be extra-references for most topics that you are expected to read (self-study) or that are simply suggestions because they are interesting.

problem sets

I will provide problem sets. They are meant to help you to prepare for the written exam – the problems in the exam will be similar. In Moodle, there is a dedicated forum to discuss the solutions for the problem sets, to ask questions, to correct other students. I will also participate in this virtual conversation. In our experience students that used Moodle to discuss problem sets perform extraordinary well in the exam. So, feel invited!

lecture topics

Be aware that this list of topics and references will be updated before we start and also during the lecture. The chapters in Baldwin and Wyplosz (2015) are essential reading, the other references are in addition. You will understand during the lecture if and why they are interesting.

THE SCHEDULE FOR THE LECTURE (and the reading list) WILL BE UPDATED IN OCTOBER.

13 lectures / 13 tutorials

1 A short history and the present state of European Integration

2 Essential microeconomic tools
Baldwin and Wyplosz (2015, ch. 4)

3 The essential economics of preferential liberalisation
Baldwin and Wyplosz (2015, ch. 5) and Facchini, Silva, and Willmann (2013), Krishna (2008), Mitra (2008), and World Trade Organization (2011)

4 Market size and scale effects

5 Competition Policy
Baldwin and Wyplosz (2015, ch. 11) and Duso, Gugler, and Yurtoglu (2011)

6 Factor Mobility, Migration and Asylum
Baldwin and Wyplosz (2015, ch. 11, 8) and Braun and Mahmoud (2012) and Sinn (2005)

7 Growth
Baldwin and Wyplosz (2015, ch. 7) and Acemoglu (2009) and Acemoglu and Robinson (2012)

8 Agriculture
Baldwin and Wyplosz (2015, ch. 9)

9 Essential macroeconomics tools

10 Monetary Integration
Baldwin and Wyplosz (2015, ch. 14)

11 Optimum Currency Areas
Baldwin and Wyplosz (2015, ch. 15) and Brunnermeier (2012)

12 Competitiveness in Europe
Baldwin and Wyplosz (2015, ch. 16-19) and Allen, 2008; Eichengreen, 2008; Kantos Economics, 2011a,b; Krugman, 1994; McKinsey Germany, 2012; Sheets and Sockin, 2012; Sinn, 2013
13 Fiscal policy and the Stability Pact
Baldwin and Wyplosz (2015, ch. 17)

14 The Financial Markets, the Euro and the Eurozone Crisis
Baldwin and Wyplosz (2015, ch. 18+19)

References


version history of this document:

2015-11-12 more details about the exam + registration deadline.

2015-10-14 new room(s) for the tutorial, room for the exam.

2015-10-14 examination without a mandatory paper, added dates for the written exam.

2015-09-20 First public version for the WiSe 2015 / 2016