Central European University
Department of International Relations

ECONOMIC INTEGRATION(S) IN THE AGE OF TRADE WARS

Lecturer: Dr Daniel Izsak
Office Hours: Thursday, 14:00 – 15:00 (By appointment)

Course Description

Although President Trump said “trade wars are good and easy to win” as he slapped tariffs on steel imports, withdrew from TPP, TTIP, and pushed NAFTA to the brink, he sometimes calls for “no tariffs, no barriers, no subsidies”. The United States is not alone in trying to ‘take back control’. Britain is also testing whether there is life and ‘frictionless trade’ outside the EU, or a wilderness of stockpiling foods, medicines, and other supplies. What is the role of regional regulatory regimes in the age of globalisation? Is the EU a protectionist club taking advantage of others, or is it the current extent of globalisation (or both)? How has it performed as its grand bargains are challenged by Brexit, ‘trade wars’, and the Great Recession which accentuated the cleavages integration has created since the 1980s?

The course, combining theory and policy, examines the political economy of economic integrations in ‘the age of trade wars’, with a special focus on the EU in a global context. The first part of the course will engage with various IPE concepts about the functioning of regional regulatory regimes and economic integrations, and examine how the international context is changing. In the second part, the course zooms in on the functioning of the EU’s Customs Union, Single Market, and Monetary Union and will examine the challenges economic integration faces from Brexit, the aftermath of the Eurozone crisis, and underlying structural problems. In the third section, the course briefly engages with other types of regional regulatory regimes (e.g. NAFTA, ASEAN), and will conclude by reflecting on the ‘globalisation vs. regionalisation’ debate and ask whether ‘globalisation’ is heading towards a ‘world of regions’.

The course is designed as a mix of interactive lectures and seminar discussion based on the required readings; it will engage with a IPE and EU studies debates and concepts. It assumes little or no background in the field.

Course Requirements

There are no pre-set, right-or-wrong answers to the issues raised in this course; we will search for them together during seminar-style discussions by drawing on relevant texts, concepts, and theories, following in-class student presentation(s). Students do not need to have done prior studies in the workings of the EU to take this course. All students can successfully complete this course by fulfilling the formal requirements as well as demonstrating intellectual engagement, effort, and preparation: willingness to go beyond simple summaries and easy answers during class discussions and in the required papers.

To succeed in this course, students are required to prepare for and actively participate in in-class discussions. They are to thoroughly read the required texts for each class, bring a hard-copy of the texts with them, which will be necessary during class discussions. (No electronic devices may be used in class.) Students are required to critically engage with the texts when preparing for each class. This means, on the most basic level, identifying (taking notes, highlighting) the main arguments, their strength and weaknesses, and the theoretical concepts (when relevant) applied by the author(s). Please do not hesitate to ask for help and/or consultations.
1. Attendance and active participation in class discussions based on the readings (15% of final grade). Attendance rules of the department apply.

2. One 1500-word (excluding footnotes and bibliography) position paper (double-spaced, Times New Roman, 12-points), based on the required readings. (20% of final grade). (In case two presentations are required because of class size, the position paper’s topic can be the same as one of the presentations.) Going beyond a simple summary, students are required to compare two or more views found in the readings, raise a puzzling question, or elaborate and critically comment on an interesting aspect. Submission deadline: 23 October. Submit via moodle. Late submission will result in downgrading. Consulting with the Academic Writing Unit is strongly advised.

3. Depending on the class size, one or two, 15-minute long, in-class presentation(s) (20% of final grade) based on the readings for the day. The presentation(s) should follow a similar structure to the position paper: going beyond a simple summary, students are required to compare two or more views found in the readings, and other academic literature, raise a puzzling question, or elaborate and critically comment on an interesting aspect. Sign up on the sign-up sheet after the first class.

4. One 3500-4000-word long (excluding footnotes and bibliography, double-spaced, Times New Roman 12-points) research paper (45% of final grade). Topics are to be discussed with the instructor but in general, should relate to any of the topics covered in this course. Submission deadline: 17 December. Submit via moodle. Late submission will result in downgrading. Consulting with the Academic Writing Unit is strongly advised.

All departmental requirements about academic dishonesty, etc. apply. Late submission of assignments without prior approval will result in downgrading.

Learning Outcomes

Through engagement with current issues and related scholarly debates students will gain a better understanding of the functioning of the various types of regional regulatory regimes, the economic integration that underpins the European Union and the challenges that it faces, as well as placing it in the context of globalisation. By the end of the course students will be able to:

1) develop a critical understanding of the different layers of the EU’s economic integration, the internal and external challenges it faces
2) identify and understand the different types of regulatory regimes
3) to situate regional regulatory regimes and European integration in particular in a global context as well as draw lessons for the future

Course Outline and Required (and Recommended) Readings

Seminar 1: Introduction (Overview of course, assignment of seminar presentations)
PART I: Economic Integrations & Regulatory Regimes:

Seminar 2: Institutionalisation of Calculability


Recommended:


Seminar 3: Regional Regulatory Regimes


Recommended:


Seminar 4: States, Firms, Labour, IOs


Seminar 5: From FTAs to Economic Unions

Patrick M. Crawley, “Is there a Logical Integration Sequence After EMU?”, *Journal of Economic Integration*, (Vol. 21, No. 1, March 2006), 1-20.

Seminar 6: Globalisation


Recommended:


Seminar 7: Winners and Losers


Recommended:


Seminars 8: ‘Trade Wars’


Recommended:


PART II: European Economic Integration:

Seminar 9: The European Bargain


Seminar 10: Firms on the Single Market


Seminar 11: Public Holiday – No Class!

Seminar 12: Labour Mobility


Recommended:


Seminar 13: Core-Periphery & Convergence


Seminar 14: Public Holiday – No Class!

Seminar 15: Compensating the Losers: Cohesion and the New Budget

Paul De Grauwe, After Brexit, the EU Must Break with Neo-liberalism and Address the Discontents of Globalisation, (London: LSE Brexit, 2016), 1-3.


Seminar 16: Integration in the Eurozone


Seminar 17: Creditors & Debtors


Seminar 18: Fiscal Policy for the Eurozone?


Seminar 19: Then Brexit Happened


Recommended:


PART III: The Global Outlook:

Seminar 20: ‘Global Europe’: The EU’s External Trade


Recommended:


Recommended:

Shujiro Urata, “Free Trade Agreements and Patterns of Trade in East Asia from the 1990s to the 2010s”, *East Asian Community Review*, (Vol. 1, No. 1-2, 2018), 61-73.

**Seminar 23: Globalisation vs. ‘Inter-regionalism’**

Pankaj Ghemawat, “Why the World Isn’t Flat”, *Foreign Policy*, (No. 159, 2007), 54-60.


**Seminar 24: Conclusions**