THE POLITICAL ECONOMY OF THE EUROPEAN UNION
2020 WINTER SEMESTER

Instructor: Univ.Prof. László CSABA, Member of the Hungarian Academy of Sciences and Academia Europaea/London

Course description

This is an MA course, combining theory and policy, addressing the fundamentals of what remains of the EU after Brexit. It addresses the history, institutional evolution as well as the core policies of the changing structures of the European Union, focusing on *those relating to money and decision making* on Community spending. It analyzes the evolution of the major policy areas and institutions, with special emphasis on how crisis management in the decade since the Great Recession and the ensuing Brexit has changed the face of the EU, what reforms have taken place and what do these mean. We ask about the fundamentals: how does the EU and its policies perform against available theories to date.

Aims and Scope

This is a course for motivated MA students, introducing major issues of European political economy. First: we provide a broad overview of those EU policies which matter for economic actors, and this in a dynamic perspective. Second: we aim to supply the relevant knowledge in a condensed manner. Thus we conduct an intensive and interactive learning procedure, combining lectures, **individual processing of written materials**, oral presentations and classroom debates. Written output is required for the same reason. Those finishing the class successfully should be able to have an idea about the major issues and be able to catch up in the future, if and when new problems/issues emerge.

Course Structure

The course describes and interprets the monetary model of integration, the role of fiscal coordination, the new permanent rescue funds and mechanisms, thus it addresses broader theoretical and policy implications of new supra-nationalism after Brexit. It also covers the past present and future of *the major expenditure areas*. The latter include agriculture and rural
development, regional development, but also the policy areas where common policies exist without common funds. These apply to such expensive areas as environmental protection and labor markets. The debates on fiscal and banking union as well as on neighborhood policies are covered. Background in macroeconomics, international finance and trade is though a positive advantage, however, this is not a prerequisite for taking the class.

This course is composed of a mixture of lectures and seminars. The two do not necessarily overlap, neither with the details discussed in the required readings. Independent processing of the latter is presumed, i.e. it does not take place in the classroom. Regular and active participation is required /you may miss any occasion on prior notice only/. Interactive participation on the seminars, where typically recommended readings are processed is a precondition for obtaining a grade. Seminar presentations should be made by choosing one item from the list of recommended readings, maximum 3 presentations per seminar. Points of clarification of details are ideally performed by attending the office hours/prior registration is required.

Methods of Assessment

Regular and active participation in each of the classes and successful processing of the written materials are the preconditions for the grade. Besides regular attendance each participant – also those for audit - must make a seminar presentation. For an improved grade you also may volunteer to write up a 10 pages/1.5 space, 12 size/ long book review in a format, ideally publishable in an academic journal. The printout or electronic version must be submitted by 6 April, 2020, Monday, 18.hrs at latest. Those wishing a grade must also write two closed book quizzes, to be written at the times pre-announced in this schedule, checking facts and figures. Exam dates and deadlines are prefixed and nontransferable.

Grading

Attendance and activity: 10 p.c., midterm quiz: 35 p.c.; seminar presentation: 20 p.c.; final quiz: 35 p.c. Books for review may be selected by yourselves within the course subject/not only, but definitely including recommended readings/, and approved by the instructor.
Reference volumes/statistical and documentary resources

For those of you not having any background in economics/finance/EU studies it may make sense to consult regularly one or more of the reference volumes clarifying the underlying concepts, categories and elementary facts/vocabulary, since at graduate level no introductory course can be made. On the various subject matters:

1. European Union/concepts of EU political economy/description of sectoral policies


4. BREXIT means Brexit! a/ CAMPOS, N.F. – CORICELLI, F.,eds./2018/: The Economics of UK-EU Relations. From the Treaty of Rome to the Vote for Brexit. London: Palgrave/you may choose any one chapter for seminar presentation, or review the entire book as a special assignment./


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**DETAILED SCHEDULE**

8 January, 2020/Wednesday,/ACTUAL TEACHING STARTS/

The Monetary Model of European Integration

**Required:** BELLAMY, R./2013/: ‘An ever closer union across the peoples of Europe’: republican inter-governmentalism and democratic representation within the EU. *Journal of European Integration*, vol.35. no.5., pp499-516.


**Recommended:** THIMANN, Ch./2015/: The microeconomic dimensions of the Eurozone crisis and why European politics cannot solve them. *Journal of Economic Perspectives*, vol.29. no.3., pp141-164.


Forum: Solving the European Productivity Puzzle.
*Intereconomics*, vol.53.no.2/2018/, pp52-78.
Week of 13 January

Revising Rules-Based Fiscal Policy for Europe: a Solution or a Trap?


SALVATORE, D./2017/: Europe’s growth crisis: when and how will it end? The World Economy, vol.40.no.5., pp 836-848.


DONNELLY,S./2018/: Power Politics, Banking Union and EMU. London: Routledge/take any one chapter for seminar presentation/.


Week of 20 January

Labor Markets in the EU: Implications for Integration and Enlargement


VAUGHAN-WHITEHEAD, D. ed., /2015/: *The European Social Model in Crisis?* Cheltenham/UK: E.Elgar/take one chapter for seminar presentation!/


**Week of 27 January**

**Common Agricultural Policy: Foot Dragging, Change and Globalization**


GARCIA-DURAN, P.et al/2019/: International institutions and domestic policy: assessing the influence of multinational pressure on the EU’s agricultural policy. *Journal of European Integration*, vol.41.no.2., pp131-146.


Week of 3 February

Cohesion Policies in the EU: Poetry and Reality


BECKER, P./2019/: The reform of European cohesion policy, or how to couple the streams successfully. *Journal of European Integration,* vol.41.no.2., pp 147-168.

**Recommended:** BACHTLER, J.et al eds, /2017/: *EU Cohesion Policy: Reassessing Performance and Direction.* London: Routledge./take any one chapter for presentation!/


10 February, 2020/Monday: Midterm Quiz/missing it triggers an automatic fail!

12 February, 2020/Wednesday

The EU in the Transatlantic Trade Conflict/lecture and seminar!

**Required:** PETERSON, J./2018/: Structure, agency and transatlantic relations in the Trump era. *Journal of European Integration,* vol.40.no.5., pp637-652.

**Recommended:** TTIP: Political and Economic Rationale and Implications /round table/. *Intereconomics*, vol.50.no.6., pp312-342.


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**Week of 17 February**

**Environmental Policy in the EU: Sandwiched Between Enlargement and the Single Market?**


**Recommended:** HUSTEDT, Th. – SEYFRIED,M./2016/: Coordination across internal organizational boundaries: how the EU Commission coordinates climate policies. *Journal of European Public Policy*, vol.23.no.6., pp888-905.

Week of 24 February

Re-framing the Union and Financial Crisis Management: an Odd Couple


Dell’ARACCIA, G et al/2019/: Unconventional monetary policies in the Euro area, Japan and the UK. *Journal of Economic Perspectives*, vol.32.no.4., pp. 147-172.

**Recommended:** GYÖRFFY, D./2018/: *Trust and Crisis Management in the EU.* London: Palgrave/take any one chapter for seminar presentation/.


Week of 2 March

Enlargement and Its Consequences


SCHWEIGERT, Ch. – VISVIZI, A. eds/2018/: *Central and Eastern Europe in the EU*. London: Routledge/take one chapter for presentation!/


Week of 9 March

Life after Brexit: Decay or Revival?

Required: CSABA, l./2016/: The EU at sixty: watershed or business as usual? *Acta Oeconomica/special issue on Brexit/, vol.66.pp 61-75.


SIMMS, B./2017/: The Treaties of Rome 60 years on. Where do the EU and the UK go from here? *Zeitschrift für Staats- und Europawissenschaften*, vol. 15. no. 1., pp 119-140.

**Week of 16 March**

**The Future of the European Union in the Global Political Economy**


SIDI, M./2018/: The role of power in EU-Russia energy relations: the interplay between markets and geopolitics. *Europe-Asia Studies*, vol. 70. no. 10., pp 1552-1571.

**Recommended:**  CHABAN, N. – HOLLAND, M. eds./2018/: *Shaping the EU Global Strategy*. London: Palgrave/take one chapter for seminar presentation!/.


JAMES, H./2017/: Europe: grand deal, big deal or no deal? *Zeitschrift für Staats- und Europawissenschaften*, vol. 15. no. 1., pp 141-156.

PARKER, Ch.- KARLSON, Ch.- HJERPE, M./2017/: Assessing the EU’s global change leadership: from Copenhagen to Paris Agreement. *Journal of European Integration*, vol. 39., no. 2., pp 239-252.
23 March, 2020, Monday: Final Quiz/missing it triggers automatic fail

Notes: All sources are available in the original at CEU Library, most of them also online. Assignments cannot be saved, transferred or negotiated. Deadlines are fixed. Thus any delay triggers automatically a five per cent deduction from the final grade per day. In case of exceptional circumstances, such as illness testified by a medical doctor, prior agreement of the instructor is to be obtained/there is a round the clock answering machine at the department, 327-30-17, or via e-mail: csabal@ceu.edu / The book review and quizzes are to be written in conformity with CEU regulations including ethical standards and academic writing requirements. Double submission and plagiarism/including inadequate referencing/ will be severely penalized.

Quizzes check facts and figures/two analytical and six factual questions, closed book format/, in writing. All assignments, petitions, second readings etc must be definitively concluded by end-semester, i.e 6 April, 2020, Monday, 18 hrs. Please do not bring any food or drink to class. Also, please do not use mobile, tablet, smartphone, laptop or any IT device for other purposes than taking notes while in class, even if you are good at multi-tasking.

Consultations: preferably before and after class and also by appointment, or via email. In case of doubt please do not hesitate to raise the issues before exam/deadline etc. The departmental phone is 327-30-17, fax 327-32-43, my email: csabal@ceu.edu , my personal website for further downloadable materials: www.csabal.com

Univ. Prof. László CSABA/IR Department