



THE ECONOMICS OF EUROPEAN INTEGRATION AND THE SPANISH ECONOMY

COMPLUTENSE UNIVERSITY
COURSE 787-SYLLABUS

(Prof. C.Mulas-Granados & Prof. Ismael Sanz)

6 credits

1. THE PROCESS OF EUROPEAN INTEGRATION: OBJECTIVES, INSTITUTIONS AND CRONOLOGY

- History and facts.
- The Spanish accession to the Common Market in 1986.
- Institutions and decision-making in the EU.

Readings: B&W Chp1,2&3; El-Agraa Chp1&15; Hitiris Chp1,2&4

2. TRADE AND THE SINGLE MARKET

- The economics of preferential liberalisation.
- Market size and economies of scale.
- Growth effects of economic integration.
- The impact of the Single Market in the Spanish Economy.

Readings: B&W Chp4-8; El-Agraa Chp4,17&21; Swann Chp 1&8

3. EU COMPETITION POLICY AND TRADE POLICY

- EU's Competition and State aid policies
- EU's Trade Policy and the WTO negotiations
- Twenty years of Spanish trade with the EU.

Readings: B&W Chp11&12; *EC's and Press material*

4. EU INTERNAL POLICIES

- The CAP: The 2003 reform and the Eastern enlargement.
- Regional policy: Structural and Cohesion Funds
- R&D Framework programmes and the technological gap.
- The Spanish experience with agricultural, structural and cohesion funds.

Readings: B&W Chp9-10; Buckwell Chp 1&2; *EC's and Press material*



5. THE EUROPEAN BUDGET AND FINANCIAL PERSPECTIVES

- The history of the EU Budget
- Agenda 2000 and the Eastern Enlargement
- Financial Perspectives 2007-2013 and the 2009 review.
- The Spanish Net Balance and its transition to net contributor.

Readings: EC's and Press material

6. THE PROCESS OF MONETARY UNION

- The economics and politics of monetary integration
- The Delors Report and the Maastricht Treaty
- The Stability and Growth Pact (original and revised).
- The Spanish adjustment: from budget deficit to budget surplus.

Readings: B&W: 13, 15, 17 &18

7. THE RENEWED LISBON STRATEGY

- The 2000 Lisbon Strategy
- The 2005 Renewed Lisbon Strategy
- National Reform Programmes across Europe.
- The Spanish NRP and the Commission's assessments.

Readings: Sapir Report; Kok Report; Bruegel's NRPs Report

8. THE SPANISH ECONOMY AND EUROPE

- Nominal and Real Convergence of the Spanish Economy.
- Convergence of Productive Structure
- Spanish Capital and Labour flows with Europe

Readings: Martín, C.; Myro, R. Spanish National Reform Program.

Main Course Reading Materials:

- Baldwin, R. and C. Wyplosz (2006) *The Economics of European Integration*, McGraw Hill.
- El Agra, A.M. (2004) *The European Union: Economics and Policies*, Prentice Hall Europe.
- Hitiris, T. (2005) *European Union Economics*, Pearson Eds.



Evaluation:

- 50% Final exam at the end of the term
- 30% Four papers in groups, presented and discussed in class (7.5% each)
 - Spain and the Single Market
 - State aid EADS vs. Boeing
 - Proposals for new financial framework 2009
 - National Reform Programmes in perspective
- 20% Participation and Debates (plus FFPP negotiation simulation)

Optional : mini-thesis for students in the field of specialisation

Office Hours:

Will be set by each professor in the first day of class

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