

Online course title:	Economics of European Integration
Instructor:	Prof. Dr. Volker Nitsch
Email address:	nitsch@vwl.tu-darmstadt.de
Track:	B-Track
Language of instruction:	English
Contact hours:	The coursework corresponds to an on-site course amounting to 72 contact hours.
ECTS credits:	7
Prerequisites:	Students should be able to speak and read English at the upper intermediate level (B2) or higher. Elementary knowledge of economics and statistics is desirable.
General requirements:	<p>Please make sure to be online approximately from 4 pm CEST to 8:30 pm CEST on the respective course days! Therefore, please check the possible time difference between Germany and your country of residence.</p> <p>We also recommend that you make sure to have a quiet and appropriate working space.</p> <p>To ensure a comfortable learning environment for all, please adhere to general netiquette rules.</p>
Technical requirements:	<ul style="list-style-type: none">- stable internet connection- fully functional device, such as computer, laptop or tablet (use of smart phones not recommended), headset recommended- recommended operating systems: Windows 7 or higher or Mac OS X 10,13 or higher, avoid using a VPN

Course description

What is today's role of the European Union? After decades towards greater integration, economic relationships have recently become more fragile. Examples of the rise of disintegration include tendencies of secession and the exit of countries from international institutional arrangements. In view of strong interdependencies between economic actors (global supply chains), these disruptions seem to be particularly costly and may require appropriate policy responses.

This course introduces the main economic aspects of the current development of the European Union (EU) and its policies. The basic idea is to discuss general issues in economic integration with a strong emphasis on experiences in Europe. After reviewing the institutional, political and historical background of European integration, the main focus is on the economic analysis of the policies and prospects for the European Union and its economic impacts on individuals, firms and regions.

Some recent developments in the international policy agenda like sovereign debt crises, Brexit and the euro crisis will also be covered.

This course provides an introduction to economic tools and concepts useful for the analysis of European integration. More generally, students learn to apply economic theory to real-world problems.

Student profile

The course is open to students from all disciplines.

Required language skills

The language of instruction is English. Language proficiency on an advanced Intermediate level (Mittelstufe II) is a prerequisite for participation. For orientation purposes, you can assess your language skills here (Common European Framework of Reference for Languages (CEFR):

<https://rm.coe.int/CoERMPublicCommonSearchServices/DisplayDCTMContent?documentId=090000168045bb52>

Course Requirements

Regular attendance and active participation, short research paper and final written exam.

Grading

20% Class participation
30% Short Paper (3-5 pages)
50% Final exam

Reading

A course reader will be provided online as PDF file.

Course schedule

Date	Program
Tuesday, June 01, 2021	<p>Session 1 History, Facts and Institutions</p> <ul style="list-style-type: none"> - Stages of integration - History of European integration <p>Session 2 Budget</p> <ul style="list-style-type: none"> - Revenues and expenditures at EU level <p>Session 3 Online excursion: Online resources for research</p>
Friday, June 04, 2021	<p>Session 1 Fiscal Federalism</p> <ul style="list-style-type: none"> - Task allocation - Theory of fiscal federalism <p>Session 2 Decision Making</p> <ul style="list-style-type: none"> - Legitimacy - Measures of decision making efficiency <p>Session 3 Presentation: Europe Direct Informationszentrum Berlin</p>
Tuesday, June 08, 2021	<p>Session 1 Microeconomic Tools</p> <ul style="list-style-type: none"> - Open-economy supply and demand analysis <p>Session 2 Tariff Analysis</p> <ul style="list-style-type: none"> - MFN tariff analysis <p>Session 3 Trade Integration</p> <ul style="list-style-type: none"> - Types of protection - Analysis of preferential liberalization <p>WTO rules</p>
Friday, June 11, 2021	<p>Session 1 Market Size and Scale Effects</p> <ul style="list-style-type: none"> - Industrial restructuring: logic and facts <p>Session 2 Growth Effects and Factor Market Integration</p> <ul style="list-style-type: none"> - Introduction to growth economics - Solow growth model <p>Session 3 The Single Market</p> <ul style="list-style-type: none"> - Effects and frictions: empirical approaches
Tuesday, June 15, 2021	<p>Session 1 Labour Markets</p> <ul style="list-style-type: none"> - Economic principles - Effects of trade integration <p>Session 2 Migration</p> <ul style="list-style-type: none"> - Migration policies - Individual attitudes towards migration <p>Session 3 Guest lecture: Stiftung Wissenschaft und Politik</p>

<p>Friday, June 18, 2021</p>	<p>Session 1 Common Agricultural Policy <ul style="list-style-type: none"> - CAP problems - Reforms Session 2 Regional Policy <ul style="list-style-type: none"> - Economic geography: theory and empirics Session 3 Other EU Policies Competition and state aid policy</p>
<p>Tuesday, June 22, 2021</p>	<p>Session 1 Macroeconomic Tools <ul style="list-style-type: none"> - Impossible trinity principle - Real exchange rate Session 2 Monetary Integration <ul style="list-style-type: none"> - Fixed and floating exchange rates Session 3 Exchange Rate Regimes <ul style="list-style-type: none"> - Classifications of exchange rate regimes Effects</p>
<p>Friday, June 25, 2021</p>	<p>Session 1 Optimum Currency Areas <ul style="list-style-type: none"> - Theory of optimum currency areas Session 2 History of European Monetary Integration <ul style="list-style-type: none"> - OCA theory and European monetary integration Session 3 EMU Effects of EMU</p>
<p>Tuesday, June 29, 2021</p>	<p>Session 1 European Central Bank: Structure <ul style="list-style-type: none"> - Institutional structure - Decision making Session 2 European Central Bank: Monetary Policy <ul style="list-style-type: none"> - Strategy - Instruments Session 3 Guest lecture: Deutsche Bundesbank</p>
<p>Friday, July 02, 2021</p>	<p>Session 1 Fiscal Policy <ul style="list-style-type: none"> - Externalities Session 2 Stability Pact <ul style="list-style-type: none"> - Stability and growth pact - Macroeconomic imbalances procedure Session 3 Financial Markets <ul style="list-style-type: none"> - Essentials - Effects of a monetary union Paper due (3-5 pages)</p>
<p>Tuesday, July 06, 2021</p>	<p>Session 1</p>

	<p>Banking</p> <ul style="list-style-type: none"> - Banking as an industry - Banking union <p>Session 2</p> <p>Role of the Euro</p> <ul style="list-style-type: none"> - Functions of currency <p>Session 3</p> <p>Crises</p> <ul style="list-style-type: none"> - Global financial crisis - Debt crisis <p>Brexit</p>
Friday, July 09, 2021	<p>Session 1</p> <p>Wrap up session</p> <p>Session 2</p> <p>Final exam</p>

*Field trips are subject to change depending on the availability of appointments and speakers. On field trip days, class hours may be adjusted.