

Seminar in European Economics

Syllabus

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2nd Semester

Moodle enrolment key: EES-2025-2

Motivation:

The Seminar in European Economics is an applied course where economic theory and current European developments are brought together. The course builds on the student's background knowledge in economics to understand the reality of the European economy. In this context, students are encouraged to take a critical view of past and current developments and actively engage in discussion in class. The Portuguese economy will be used as a case study when suitable.

Outline:

1. Current challenges facing the European economy
 - The ongoing war in Ukraine and geopolitical tensions
 - Low economic growth
2. History, institutions, and the decision process in the EU
 - The reconfiguration of the international economic framework since 1945
 - The stages of European integration
 - EU institutions, decision process and budget
3. European policies
 - Optimal currency areas and the sovereign debt crisis
 - Fiscal policy in the euro area
 - Monetary policy in the euro area
 - Financial stability and macroprudential policy in the euro area
 - Structural policies and convergence
 - Energy
 - Competition
 - Migration

4. Europe facing the world
 - International trade
 - Global supply chains
 5. The Portuguese experience
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Evaluation:

The applied nature of the course is reflected in the evaluation system. The final grade is obtained as a weighted average of the final exam (50%), the assignment, which is performed in teams (20%), three online quizzes (15%) and the mid-term (15%).

The **final written exam** covers all topics of the course and aims to assess knowledge about core EU policies and challenges. Students are expected to integrate basic facts, economic theory results, and their own views about the topic being discussed. The approval in the course requires a minimum grade of 8 in the final exam.

The **mid-term** offers an opportunity to take stock of the material covered up to that point in the semester. Moreover, students are often not familiar with answering the type of questions made in a seminar course exam. Therefore, the mid-term is an opportunity to prepare for that task. If the mid-term overall grade is lower than that of the final exam, its weight is passed for the latter item. Thus, students are never worse off by taking this intermediate evaluation. The **mid-term is scheduled for 1st of April (in class)**.

The three **quizzes** are written online in the Moodle platform and aim at providing incentive to study along the semester. The quizzes are short (five multiple choice questions) and with a limited time window to answer (15 minutes). As in the mid-term, if each quiz grade is lower than that of the final exam, its weight is passed for the latter item. Quizzes are taken during the theoretical class on the **6th of March, the 15th of April and the 8th of May**.

The team **assignment** aims at initiating students in basic economic research on a topic relevant to the European Union. Students are encouraged to take a **critical and quantified view** of the topic and potentially interview external experts. The assignment should be concise (5-7 pages), and teams should have a **between 3 and 5 students**. Instructions on the topic of the assignment are made available in Moodle. The criteria used to grade the assignments are the rigor of the analysis, originality, and relevance of conclusions. Groups should send the teaching team information on the composition of the group by the **21st of February** (by moodle). The **deadline for the delivery of the term paper is the 29th of April**.

It should be noted that the **assignment is mandatory**, and its grade is always taken in the first exam season students attend (regular or resit). In the event of a resit due to fail or grade improvement, the best option between full exam grade and the consideration of all evaluation elements is taken.

References and selected websites:

Baldwin, R. and C. Wyplosz, The Economics of European Integration, McGraw Hill.

The Portuguese Economy in the Context of the Economic, Monetary. and Fin. Int.
<https://www.bportugal.pt/en-US/BdP%20Publications%20Research/bk200901.pdf>

European Commission: www.europa.eu.int

ECB: www.ecb.int

IMF: www.imf.org

OECD: www.oecd.int

Vox EU: <http://cepr.org/voxeu>

Project Syndicate: www.project-syndicate.org/

Additional references list.

Below you find a sample of **additional references** (columns, articles, and books) that are useful for following the course:

War

<https://cepr.org/debates/economic-consequences-war>

EU history, institutions, budget

https://europa.eu/european-union/index_en

https://europa.eu/european-union/about-eu/history_en

https://europa.eu/european-union/about-eu/institutions-bodies_en

http://ec.europa.eu/budget/index_en.cfm

http://ec.europa.eu/economy_finance/economic_governance/macroeconomic_imbalance_procedure/index_en

https://europa.eu/european-union/topics/regional-policy_en.html

http://ec.europa.eu/economy_finance/economic_governance/timeline/index_en.htm

http://ec.europa.eu/economy_finance/articles/governance/2012-03-14_six_pack_en.htm

Euro Crisis

<https://www.project-syndicate.org/commentary/imf-euro-crisis-response-by-anders-aslund-2016-08>

<http://voxeu.org/article/greece-s-fundamental-problem-monetary-unions-past-and-present>

<http://voxeu.org/article/main-lessons-be-drawn-european-financial-crisis>

<http://voxeu.org/article/eurozone-crisis-consensus-view-causes-and-few-possible-solutions>

<http://voxeu.org/content/how-fix-europe-s-monetary-union-views-leading-economists>

<http://voxeu.org/article/what-went-wrong-greece-and-how-fix-it>

<http://voxeu.org/article/austerity-and-stupidity>

<http://voxeu.org/article/imf-programmes-greece-vs-iceland>

<http://voxeu.org/article/do-economic-sanctions-make-sense>

Brexit

<http://voxeu.org/article/new-ebook-brexit-beckons>

<http://voxeu.org/content/brexit-beckons-thinking-ahead-leading-economists>

<http://voxeu.org/article/some-unpleasant-brexit-econometrics>

<http://voxeu.org/article/cfm-survey-february-2016-brexit-and-market-volatility>

Fiscal

https://www.ecb.europa.eu/pub/pdf/other/art1_mb201205en_pp79-94en.pdf

https://www.ecb.europa.eu/pub/pdf/other/art1_mb201207en_pp51-64en.pdf

<https://www.project-syndicate.org/commentary/eu-fiscal-rules-not-enforced-spain-portugal-by-daniel-gros-2016-08>

<https://www.project-syndicate.org/commentary/g7-summit-debt-agenda-by-martin-feldstein-2016-05>

<https://www.project-syndicate.org/commentary/eu-fiscal-rules-not-enforced-spain-portugal-by-daniel-gros-2016-08>

<http://voxeu.org/article/time-scrap-stability-and-growth-pact>

Monetary

<https://www.ecb.europa.eu/pub/pdf/other/monetarypolicy2011en.pdf>

<https://www.project-syndicate.org/commentary/explaining-persistent-low-interest-rates-by-carmen-reinhart-2016-07>

<http://voxeu.org/content/what-else-can-central-banks-do>

<http://voxeu.org/article/helicopter-money-and-fiscal-rules>

Competitiveness

https://www.ecb.europa.eu/pub/economic-research/research-networks/html/researcher_compnet.en.html

Energy

<http://voxeu.org/article/oils-two-pronged-price-revolution-changes-everything>

<http://voxeu.org/article/europe-s-russian-connections>

Migration

<http://voxeu.org/article/europe-s-refugee-surge-economic-and-policy-implications>

<http://im-an-economist.blogspot.hr/2016/04/graph-of-week-immigration-perception-vs.html>

<http://voxeu.org/article/trade-costs-border-controls-schengen-area>

<http://voxeu.org/article/immigration-and-voting-evidence-italian-municipalities>

Financial

<https://www.imf.org/external/np/res/docs/2007/0607.pdf>

<http://voxeu.org/article/smoothing-economic-shocks-eurozone-untapped-potential-financial-union>

<http://voxeu.org/article/completing-eurozone-banking-union>

<https://www.imf.org/external/np/res/docs/2007/0607.pdf>

Trade

http://www.bportugal.pt/en-US/BdP%20Publications%20Research/AB200801_e.pdf

<http://voxeu.org/article/gains-trade-and-openness-1830-2014>

<http://voxeu.org/content/catalyst-ttip-s-impact-rest>

<http://voxeu.org/article/age-global-value-chains>

<http://voxeu.org/content/age-global-value-chains-maps-and-policy-issues>

Portugal

http://www.bportugal.pt/en-US/BdP%20Publications%20Research/AB200108_e.pdf

<https://www.imf.org/external/pubs/ft/dp/2016/eur1602.pdf>

http://journal.fsv.cuni.cz/storage/948_04_413-429.pdf