THE POLITICAL ECONOMY OF THE EUROPEAN UNION
2017 FALL 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 grade you also need 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 20 November, 2017, Monday, 18 hrs at latest. Those wishing a grade must also write two closed book quizzes, to be written at 25 October 2017, Wednesday and 11 December 2017, Monday, checking facts and figures. Exam dates and deadlines are prefixed and nontransferable.

Grading

Attendance and activity: 10 p.c., midterm quiz: 25 p.c.; seminar presentation: 20 p.c.; book review: 20 p.c., final quiz: 25 p.c. Books for review may be selected by yourselves within the course subject/not only recommended readings/, and approved by the instructor. Good reviews may get published. For a grade improvement additional book reviews might be taken up on a voluntary base.
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


**DETAILED SCHEDULE**

**Week of 18 September/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 demoicratic 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.


**Week of 25 September**

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

**Required:** LAFFAN, B. –SCHLOSSER, P./2016/: Public finances in Europe: fortifying EU economic governance in the shadow of the crisis. *Journal of European Integration*, vol.38.no.3., pp237-249.


ZIMMERMANN, H./2016/: The euro trilemma: or how the Eurozone fell into a neo-functionalist legitimacy trap. *Journal of European Integration*, vol.38.no.4., pp425 – 439.

**Week of 2 October**

**Labor Markets in the EU: Implications for Integration and Enlargement**

**Required**: Labor Mobility in the EU: Dynamics, Patterns and Policies/Forum discussion/. *Intereconomics*, vol.49.no.3./2014/, pp116 -158.


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

Week of 9 October

Common Agricultural Policy: Foot Dragging, Change and Globalization


Forum Discussion: The CAP after 2013. Intereconomics, vol.47.no.6.pp316 343./available online/.


CSÁKI,Cs. – JÁMBOR,A./2013/: The impact of EU accession on the agriculture of the Visegrád countries. Society and Economy, vol35.no.3.pp343-364.

Week of 16 October

Cohesion Policies in the EU: Poetry and Reality


23 October – public holiday/no class!

25 October, Wednesday: Midterm Quiz/missing it triggers an automatic fail!

Week of 30 October

**The EU in the Transatlantic Trade Conflict**


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


Week of 6 November

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 13 November

Europe 2020 and Financial Crisis Management: an Odd Couple


**Recommended:** LOMBARDI, D. – MOSCHELLA,M./2016/: The government bond buying program of the ECB. *Journal of European Public Policy*, vol.23.no.6., pp851 -870.

KRAMPF,A./2016/: From transparency to ambiguity: the impact of ECB1s unconventional policies on the EMU. *Journal of European Integration*, vol.38.no.4., pp455 -471.


**Week of 20 November**

**Enlargement and Its Consequences**


**Week of 27 November**

**Life after Brexit: Decay or Revival?**


**Recommended:** CHOPIN, Th. – LEQUESNE, Ch.,/2016/: Differentiation as a double-edged sword: member-states practices and Brexit. *International Affairs*, vol.92.no.3.,pp531 – 545.


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., pp119-140.

**Week of 4 December,**

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


PARK, B./2015/: Turkey’s isolated stance: an ally no more or just the usual turbulence? International Affairs/Chatam House, vol.91.no.3/available online/.

JAMES,H./2017/: Europe: grand deal, big deal or no deal? Zeitschrift für Staats- und Europawissenschaften, vol.15.no.1., pp141-156.


**11 December, 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.

The book reviews are meant to test your independent analytical ability on a freely chosen topic within the course subject, however in identifying the book to be reviewed prior approval of the instructor is needed. 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 15 December, 2017, Friday, 18 hrs.

Consultations: preferably before and after class and also during office hours, Mondays and Wednesdays 17-19 hrs, room FT 304/sign up sheet available and needed/. In case of exceptional circumstances you may want to use the e-mail and/or ask for a special appointment. 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.hu , my personal website for further downloadable materials: www.csabal.com

Budapest, 8 July, 2017. 

Univ. Prof. László CSABA/IR Department