



## **MACQUARIE UNIVERSITY**

Division of Economic and Financial Studies

**ECON396**

## **EUROPEAN UNION ECONOMICS**

UNIT OUTLINE

March 2003

**Marc Lombard**  
Lecturer-in-Charge

<http://online.mq.edu.au/pub/ECON396/>

**MACQUARIE UNIVERSITY**  
**DIVISION OF ECONOMIC AND FINANCIAL STUDIES**  
**ECON396 - EUROPEAN UNION ECONOMICS**

**UNIT DESCRIPTION**

This unit examines the economic performance and policies of the European Union (EU) and of some of its leading members. It analyses key economic and policy issues affecting the successful integration of the European Union, and examines their effects on community members. Overall, it intends to be a comprehensive course on the economic policies of the world's largest regional association.

The unit-specific skills that ECON396 seeks to develop include the critical examination of economic ideologies and policy issues that have dominated the European integration process, as well as the awareness of how political objectives and ideologies have determined economics policies in the EU. ECON396 provides students with a global vision of economics, where theory is not seen as operating in a vacuum but is adjusted to institutional factors (socio-political and cultural ones).

ECON396 also seeks to develop generic skills, such as the critical analysis of economic theory and its relevance to the real world, lecture and reading material evaluation, and research skills.

**LECTURER:**

**Marc Lombard**, lecturer-in-charge

Room C5C-389, Ph.: 9850 8501, Fax: 9850 8586, Email: mlombard@efs.mq.edu.au  
Consultation times will be announced at the beginning of the course.

**LECTURES:**

Tuesdays, 10-12pm, in E7B-100

**SEMINARS:**

There are 5 seminars. They will be held in room C5C-240, on Tuesdays, 1-2pm and 3-4pm, in lecture weeks 3, 5, 8, 10 & 12 only. (Weeks beginning: 17<sup>th</sup> of March, 31<sup>st</sup> of March, 5<sup>th</sup> of May, 19<sup>th</sup> May and 2<sup>nd</sup> of June).

Questions to prepare for the seminars will be posted on the ECON396 website and available in ERIC, in the week before the seminar.

**ASSESSMENT:**

- Final examination (2 hours), worth 70% of the marks
- Within-semester test, in week 6, worth 20% of the marks
- Seminar discussions, worth 10%

**NOTE:**

1) It is essential for the successful completion of this course that students attend all sessions, as the examination/test will include material presented in the lectures and seminars. Assessment will also be based on the prescribed readings.

## UNIT STRUCTURE

Topics include:

- **The European Union: An Overall View.**  
International comparisons. Evolution and institutions of the EU.  
The EU on the world scene.
- **The Politics of the European Union**  
Political processes. Approaches to integration
- **The EU Member Countries: A Survey**  
An economic/political survey of the 15 economies
- **The Future of the EU.**  
Enlargement. Implications. Survey of applicants
- **Macroeconomic Performance & Policy**  
Major trends and policies
- **European Monetary System (EMS)**  
Exchange rate crises. Convergence criteria.
- **Economic and Monetary Union.**  
Optimum currency area. The single currency.
- **The EU Budget.**  
Major issues. The Common Agricultural Policy. Taxation. Regional policy
- **Labour Market Policies.**  
Labour legislation. Unemployment
- **Social Policy**  
Welfare measures
- **Competition and Industrial Policies**  
EU rules and policies. Research and development
- **The EU and the Rest of the World**  
Trade patterns and policy.

The numbering of topics above is not related to the number of lecture weeks. Some topics are shorter/longer than others.

## **REFERENCES:**

### **Recommended texts:**

- Artis, M. and Nixson, F. (2001), *The Economics of the European Union*, 3<sup>rd</sup> ed., Oxford
- Jones, R. (2001), *The Politics and Economics of the European Union*, Edward Elgar

Additional articles will be provided weekly in the lectures

### **General references:**

- Pelkmans, J. (2001), *European Integration*, 2<sup>nd</sup> ed., Prentice Hall
- El-Agraa, A. (2001), *The European Union*, 6<sup>th</sup> ed., Prentice Hall
- McDonald, F. and Dearden, S. (1999), *European economic Integration*, 3<sup>rd</sup> ed., Prentice Hall
- Hitiris, T. (1999), *European Union Economics*, 4<sup>th</sup> ed., Prentice-Hall
- Dinan, D. (1999), *Ever Closer Union*, 2<sup>nd</sup> edition, MacMillan
- Somers, F. (ed.) (1998), *European Union Economies*, 3<sup>rd</sup> ed.. Addison Wesley Longman

The above books have been placed in the Reserve section of the library

### **Additional information**

Up-to-date commentaries and data on the European Union can be found in the following publications (all available in the library):

- x The Economist  
(The Economist is a good source of information on the latest economic/political and social developments affecting the EU)
- OECD, Main Economic Indicators
- OECD, Economic Outlook  
(The 15 members of the EU are all members of the OECD)

### **Internet**

The official web page of the European Union is:

<http://www.europa.eu.int> . There are many other sites providing information on features of the European Union.

Of special interest are:

- x [http://dailynews.yahoo.com/fc/world/European\\_Union](http://dailynews.yahoo.com/fc/world/European_Union) which screens international printed media for articles on the European Union, daily.
- [www.guardian.co.uk/eu](http://www.guardian.co.uk/eu)

## **2. Specific References**

Students are required to be familiar with a number of journal articles and other readings. An “x” indicates that the reference is required reading. Guidance to additional reading will be provided in lectures.

(\*) indicates that a copy has been placed in ERIC (EFS Resources and Information Centre- C5C-244).

### **TOPICS:**

- **The European Union: An Overall View.**
  - x Artis and Nixson (2001), chapters 1-2
  
  - x Lombard, M. (2001), European Union: The Growing Economic Giant, *Economics*, Vol.37, No.4, pp.5-11 (\*)
  
  - x Valéry Giscard d'Estaing, Europe's draftsman, *The Economist*, 22/12/01, p.58(\*)
  
  - Jones, R. (2001), chapters 1, 4, 5
  
  - Dinan, D. (1999), ch 1-3
  
- **The Politics of the European Union**  
Lecture notes
  
- **The 15 EU Member Countries : A Survey**
  - x A civil self-service, *The Economist*, 1/1/1999, p.51-52 (\*)
  
  - Somers (1998): pp. 39-91, 157-183; specific countries: pp.92-153, 184-309
  
- **The Enlargement of the EU**
  - x Jones (2001), ch.20
  
  - Artis and Nixson (2001), ch. 4
  
- **Macroeconomic Performance & Policy.**  
Lecture notes
  
- **European Monetary System (EMS) and Economic and Monetary Union (EMU)**
  - x Artis and Nixson (2001), ch. 12
  - OR
  - x Jones (2001), ch.11
  
  - Pelkmans (2001), ch.17
  
  - El-Agraa, A.M. (2001), ch. 17.
  
  - McDonald, F and Dearden, S., eds., (1999), ch.3
  
  - Gros, D. and Thygesen, N. (1998), *European Monetary Integration*, 2<sup>nd</sup> edition, Addison Wesley Longman, ch. 3-5, 7-8, 11,12

- De Grauwe, P. (1997), *The Economics of Monetary Integration*, Oxford University Press, ch.1-3, 5-7, 8-9
- Apel, E. (1998), *European Monetary Integration 1958-2002*, Routledge, ch.4

- **The EU Budget. The Common Agricultural Policy**

- x Artis and Nixon (2001), ch. 5, 8, 13

- Jones (2001), chapters 6, 7, 8

- El-Agraa, A.M. (2001), ch. 11, 16.

- McDonald, F and Dearden, S., eds., (1999), ch. 4, pp.281-297, ch.8

- Hitiris, T. (1999), ch.2, 7

- Pelkmans, ch.11, 15

- **Labour Market Policies.**

- x Artis and Nixon, ch. 14

- x Lombard, M. (1999), 'Restrictive Policies and Unemployment in the European Union', *Review of Political Economy*, Vol.12, No.3, July, 317-332

- Somers: See respective country

- **The EU Social Policy**

- x Jones (2001), ch.9

- Artis and Nixon (2001), ch. 10

- **Competition and Industrial Policy**

- Artis and Nixon (2001), ch. 6, 7

- Jones (2001), ch.12, 13

- McDonald, F and Dearden, S., eds., (1999), ch.5, 6

- Pelkmans, ch.8, 12, 14

- **The EU in the Global Economy**

- Jones (2001), ch.17

- Artis and Nixon, (2001), ch. 11,15

- El-Agraa, A.M. (2001), ch. 22

- Pelkmans (2001), ch.13, 18

## **ACCESSING THE ECON396 WEB SITE**

The URL of the ECON396 website is <http://online.mq.edu.au/pub/ECON396/>. You can also access the unit via the List of Units on the Online Teaching Facility (MUOTF) at <http://online.mq.edu.au/>. At this site you will also find answers to frequently asked questions and help with login problems.

### **Username and Passwords**

To reach some of the web site you will be required to enter a username and password. Your username is of the form "gffff123", where "g" is the first letter of your given name, "ffff" are the first four letters of your family name (or as many as possible if less than four) and "123" are three digits. Note that "gffff" is lowercase.

Your MQID and initial password should have been mailed to you after you enrolled. If you have not received this letter, or have any questions about usernames and passwords, contact either Student IT Help or the Information Technology Services (ITS) Operations/Helpdesk. **Note:** Students who used MUOTF online units in 2001/2 should use their original MQID password in 2003. You can check your MQID by contacting Student IT Help or using the web page at

[https://www.ocs.mq.edu.au/stdgen/self\\_reprint.html](https://www.ocs.mq.edu.au/stdgen/self_reprint.html). **Note:** Both your username and your password are CaSe SeNsItIvE. When you have finished using the web site **you must log out, or exit or quit your browser**. To log out of WebCT, click the 'logout' link near the top right of the screen. If you don't log out, or exit or quit your browser, other people can continue to use your account, which means they can use your mail, discussions and other course tools.

**Technical Assistance:** If you require assistance or information about email accounts, technical problems associated with using the Internet or instructions for using Library Services via the Internet, contact: Student IT Help, Level 1, Library, Email: [support@library.mq.edu.au](mailto:support@library.mq.edu.au),

Web: <http://www.lib.mq.edu.au/support/ithelp/>. Phone: (02) 9850 6500 (in Sydney) or 1 800 063 191 (outside Sydney). The ITS Helpdesk also has information on student labs and printing services. The ITS Helpdesk can be contacted at Email: [helpdesk@mq.edu.au](mailto:helpdesk@mq.edu.au), Web: <http://www.its.mq.edu.au/~operator/>

## **ENQUIRIES**

All enquiries about the course should be directed to **Marc Lombard**, Lecturer-in-charge, Room C5C-389, Extension 8501 (direct dial 9850-8501), email: [mlombard@efs.mq.edu.au](mailto:mlombard@efs.mq.edu.au)