



MACQUARIE UNIVERSITY

Division of Economic and Financial Studies

ECON396

EUROPEAN UNION ECONOMICS

UNIT OUTLINE

March 2005

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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 the policies of the European Union (EU) and of some of its leading members. It analyses key economic and political issues affecting the successful integration of the European Union, and examines their effects on community members. Overall, it intends to be a comprehensive and up-to-date 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.

Credit points: 3

LECTURER:

Marc Lombard, ECON396 Convenor
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 six one-hour seminars. They will be held in room E8A , on Tuesdays, at 12 noon, and in room C5C-240 , on Tuesdays, at 1 pm. The dates of the seminars will be announced in week one.

RECOMMENDED TEXTS:

There is no set textbook for this unit. The following books are recommended as references (see reading guide below for relevance to a particular topic). In addition, students are required to be familiar with a number of up-to-date journal articles. These will be announced during the lectures.

- Hitiris, T. (2003), **European Union Economics**, 5th ed., Prentice Hall
 - El-Agraa, A. (2004), **The European Union: Economics and Policies**, 7th ed. Prentice Hall
 - McDonald, F. and Dearden, S. (2005), **European economic Integration**, 4th ed., Prentice Hall
 - Jones, R. (2001), **The Politics and Economics of the European Union**, Edward Elgar
 - Artis, M. and Nixson, F. (2001), **The Economics of the European Union**, 3rd ed., Oxford
 - McCormick, J. (2002), **Understanding the European Union**, Palgrave
 - Pelkmans, J. (2001), **European Integration**, 2nd ed., Prentice Hall
- The above books have been placed in the Reserve section of the library

Additional reference:

- Dinan, D. (1999), **Ever Closer Union**, 2nd edition, MacMillan

Additional information

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

- **The Economist:** This weekly publication is a good source of information on the latest economic, political and social developments affecting the EU
- OECD, Main Economic Indicators
- OECD, Economic Outlook

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 is:

- http://dailynews.yahoo.com/fc/world/European_Union which daily screens international printed media for articles on the European Union.

UNIT WEBPAGE

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

ASSESSMENT:

The assessment will consist of:

- **A final examination** (2 hours), covering the whole course, worth 75% of the marks
- **Class tests and seminar discussions**, worth 25% of the marks
Dates of class tests will be announced at the beginning of the semester and posted on the website.

Assessment will be based on both the material discussed in the lectures/seminars and the prescribed readings.

NOTE:

- 1) **To successfully complete this unit, students must pass the final examination** (A policy of the Economics Department).
- 2) It is essential that students attend all sessions, as the examination/tests will include material discussed in the lectures and seminars, not available on-line nor in ERIC.

UNIT STRUCTURE and READING GUIDE

Recommended reading (in order of relevance for each topic).
Guidance to additional reading will be provided in lectures.

- **The European Union: An Overall View.**

- Historical background. The EU on the world scene**

- McCormick (2002), chapters 3, 8
 - Hitiris (2003), chapters 2, 15 (pp.333-336)
 - Artis and Nixson (2001), chapter 1
 - Jones, R. (2001), chapters 1, 4
 - Lombard, M. (2001), European Union: The Growing Economic Giant, *Economics*, Vol.37, No.4, pp.5-11 (available in ERIC)

- **The Institutions and the Politics of the European Union**

- Lecture notes
 - McCormick (2002), ch. 1 (pp.7-12), 4
 - Jones (2001), ch.2, 5

- **The EU Member Countries. Socio-Economic Models**

- Lecture notes
 - A civil self-service, *The Economist*, 1/1/1999, p.51-52 (available in ERIC)

- **The Enlargement of the EU**

- Jones (2001), ch.20
 - El-Agraa (2004), ch. 26
 - Artis and Nixson (2001), ch. 4

- **Macroeconomic Performance & Policy**

- Lecture notes
 - Jones, ch.11 (pp. 290-94)
 - Hitiris, ch. 6 (pp. 140-43)

- **Economic and Monetary Union**

- McDonald & Dearden (2005), ch. 3
- Hitiris (2003), ch. 6
- Artis and Nixon (2001), ch. 12
- Jones (2001), ch.11 .

- **Labour Market Policy**

- Artis and Nixon, ch. 14
- Lombard, M. (1999), 'Restrictive Policies and Unemployment in the European Union', *Review of Political Economy*, Vol.12, No.3, July, 317-332

- **The EU Social Policy**

- Hitiris (2003), ch. 11
- Jones (2001), ch.9
- McDonald & Dearden (2005), ch. 7
- El Agraa (2004), ch.23

- **The EU Budget. Taxation Policy**

- Hitiris (2003), ch. 4, 5
- El-Agraa, A.M. (2004), ch. 14, 19

- **The Common Agricultural Policy**

- Hitiris (2003), ch. 7
- McDonald & Dearden (2005), ch.11
- El-Agraa, A.M. (2004), ch. 20

- **Industrial Policy**

- El Agraa (2004), ch.13
- McDonald & Dearden (2005), ch. 6
- Hitiris (2003), ch. 13
- Jones (2001), ch.12

• **External Trade Policy**

- El-Agraa, A.M. (2004), ch. 24
- McDonald & Dearden (2005), ch. 12
- Jones (2001), ch.17

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

A brief summary of the lecture (major issues and concepts to be revised) will be posted every week on the ECON396 website. Additional reading material will be made available in the EFS Resources and Information Centre (ERIC) in C5C-244.

PLAGIARISM

The University defines plagiarism in its rules: "Plagiarism involves using the work of another person and presenting it as one's own". Plagiarism is a serious breach of the University's rules and carries significant penalties. You must read the University's practices and procedures on plagiarism. These can be found on the web at: <http://www.student.mq.edu.au/plagiarism/>. Penalties may include a deduction of marks, failure in a unit, and/or referral to the University Discipline Committee.

UNIVERSITY POLICY ON GRADING

Academic Senate has a set of guidelines on the distribution of grades across the range from fail to high distinction. Your final result will include one of these grades plus a standardised numerical grade (SNG).

On occasion your raw mark for a unit (i.e., the total of your marks for each assessment item) may not be the same as the SNG which you receive. Under the Senate guidelines, results may be scaled to ensure that there is a degree of comparability across the university, so that units with the same past performances of their students should achieve similar results. The process of scaling does not change the order of marks among students. A student who receives a higher raw mark than another will also receive a higher final scaled mark.