

The European Union and the World Economy

18 hours – 3 ECTS – Semester 1

Prof Aristomène Varoudakis

Compulsory module for CES students (Unit 2)

Module open to exchange students

Outline of lectures

The lectures will provide an overview of the European Union's evolving position in the World Economy and the policy issues related to the functioning of the European Monetary Union – the EU's single most important endeavor towards further unification. The focus will be on three main topics: (a) The EU's trade and investment policies, including its impact on developing countries through development assistance and the Common Agricultural Policy (Themes 1-4); (b) The structure of economic policy making in the European Monetary Union (Themes 5-7); and, (c) The vulnerability of the European economy to developments in the world economy, as exemplified by the impact of the 2008-09 global financial crisis (Themes 8-9).

- Theme 1: The process of economic integration in Europe
- Theme 2: EU international trade, trade policy, and development assistance
- Theme 3: The Common Agricultural Policy and its impact on world food markets
- Theme 4: Financial and banking integration in Europe and the international role of the Euro
- Theme 5: The European Monetary Union: Is the Eurozone an optimum currency area?
- Theme 6: Monetary policy in the European Monetary Union and the European Central Bank
- Theme 7: Fiscal policy in the European Monetary Union
- Theme 8: Origins and management of the sovereign debt crisis in the Eurozone
- Theme 9: How to complete the European Monetary Union?

Main References:

R. Baldwin and C. Wyplosz, *The Economics of European Integration*, McGraw Hill, 4th ed., 2012

P. De Grauwe, *Economics of Monetary Union*, Oxford UP, 10th edition, 2014

M. Wolf, *The Shifts and the Shocks: What We've Learned – and Have Still to Learn – from the Financial Crisis*, Penguin, 2014

Assessment

Continuous assessment

Bio

Aristomene Varoudakis is Professor of Economics at the University of Strasbourg. He has served at the World Bank in various positions, as Adviser to the Chief Economist, Lead Economist and Country Manager at the Europe and Central Asia and Middle East and North Africa Departments, and also at

the World Bank's Independent Evaluation Group. Prior to joining the World Bank, he served as Sr. Economist in the OECD. He specializes in macroeconomics, development economics, public finance, and international finance. His work has been published in academic journals and collective volumes. He is the author or co-author of four books. <https://ideas.repec.org/f/pva650.html>