

## **The European Union and the World Economy**

**Blandine ZIMMER**, Professeure

18 hours

Compulsory module for CES students (Unit 2)

### 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

Final written exam (1h30) in December.