

CARLETON UNIVERSITY  
DEPARTMENT OF ECONOMICS

**ECON 3807A**  
**EUROPEAN ECONOMIC INTEGRATION**  
Winter 2023

<b>Instructor:</b>	Mykyta Vesselovsky
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	Please DO NOT use my Carleton/Brightspace e-mail!
<b>Class Time:</b>	Monday, 18:05 – 20:55 EST (in-class lectures)
<b>Classroom:</b>	TB 202
<b>Website:</b>	<a href="#">ECON 3807 A</a>
<b>Office Hours:</b>	By appointment and as announced in class
<b>TA:</b>	Mariana Da Costa Gomez Andrade - <a href="mailto:marianadacostagomez@cmail.carleton.ca">marianadacostagomez@cmail.carleton.ca</a>

### Prerequisites

Prerequisite: ECON 1000 or FYSM 1003. Students who believe they have taken a similar background course or courses from another university must provide appropriate documentation to the Department of Economics Undergraduate Administrator.

### Course Description

This course introduces some key micro-economic and macroeconomic tools to explain the economics underlying the ongoing process of European integration. To provide the background for the structure of the modern EU, the course briefly covers the essential aspects of European history, institutions, laws, and politics. The microeconomic theory section covers trade, competition, growth and labour markets, followed by the models' applications to Common Agricultural Policy, competition policy and trade policy. Macroeconomic theory covers monetary integration and optimum currency areas, followed by applications to European monetary union and fiscal policies. The recent events in European integration such as Brexit are considered as a use case at the end, when the theoretical tools are available to the students to analyze them. Students are expected to know basic mathematical concepts, read assigned materials before class and participate in class through discussion and homework assignments, which will complement the lectures.

### Required Textbook

Baldwin, Richard and Charles Wyplosz, (2022), *"The Economics of European Integration"*, 7th ed., McGraw-Hill Co., London.

### Useful Websites:

[http://europa.eu/index\\_en.htm](http://europa.eu/index_en.htm)

<http://cc.europa.eu/>

<http://publications.europa.eu/>

<http://eur-lex.europa.eu/JOIndex.do>

<http://www.cvce.eu/en>

### **Additional References:**

If necessary, additional and up-to-date references will be provided at the beginning of each lecture to supplement the textbook, main reference, websites and lectures.

### **Grading**

Midterm Exam	35%
Assignments (4)	20%
Final Exam	45%
<b>TOTAL</b>	<b>100%</b>

### **Evaluation**

In addition to the final exam, there will be one midterm test and four assignments. The assignments will vary from week to week - sometime they will be a take-home assignment, sometimes an in-class quiz. There may be bonus points to your grade for exceptional work on some of the assignments. Late assignments will not be accepted.

The mid-term will take place during class time tentatively on Mar. 10, at 18:30 EST. There will be no deferred mid-term exam for this course. Students who do not write the midterm exam for legitimate reasons may have the weight of the midterm transferred to the final exam. Any student who fails to write the midterm test or the assignment will automatically receive a zero for that work, unless the instructor is notified in advance and a written medical or equivalent excuse is provided.

### **Course Outline**

#### **Part One: History and Institutions**

- I. Introduction: European History  
(various materials + Ch. 1)
- II. EU Institutions, Law, Budget and Decision Making  
(Chs. 2-3)

#### **Part Two: Micro-Economic Tools and Policies**

- III. Microeconomics of Integration
  - Economics of Tariffs and Preferential Liberalization  
(Chs. 4-5)
  - Market size, scale and growth effects  
(Chs. 6-7)

- Labour markets and migration  
(Ch. 8)

#### MIDTERM

- IV. Microeconomic Policies
  - Agricultural policies  
(Ch. 9)
  - Location and regional policies (tentative)  
(Ch. 10)
  - Competition, Aid and Trade  
(Chs. 11-12)

#### **Part Three: Macro-Economic Tools and Policies**

- V. Macroeconomics of Integration
  - Macroeconomic tools and optimum Currency Areas  
(Chs. 13-14)
- VI. Macroeconomic Policies
  - Monetary union and fiscal policy  
(Chs. 15-17)
  
  - Brexit: Problems and Prospects  
(Chs. 20)

#### **ACADEMIC ACCOMMODATIONS**

The Centre for Student Academic Support (CSAS) is a centralized collection of learning support services designed to help students achieve their goals and improve their learning both inside and outside the classroom. CSAS offers academic assistance with course content, academic writing and skills development. Visit CSAS on the 4th floor of MacOdrum Library or online at:

[www.carleton.ca/csas](http://www.carleton.ca/csas)

The Paul Menton Centre for Students with Disabilities (PMC) provides services to students with Learning Disabilities (LD), psychiatric/mental health disabilities, Attention Deficit Hyperactivity Disorder (ADHD), Autism Spectrum Disorders (ASD), chronic medical conditions, and impairments in mobility, hearing, and vision. If you have a disability requiring academic accommodations in this course, please contact PMC at 613-520-6608 or [pmc@carleton.ca](mailto:pmc@carleton.ca) for a formal evaluation. If you are already registered with the PMC, contact your PMC coordinator to send the instructor your Letter of Accommodation at the beginning of the term, and no later than two weeks before the first in-class scheduled test or exam requiring accommodation (if applicable). Requests made within two weeks will be reviewed on a case-by-case basis. After requesting accommodation from PMC, meet with the instructor to ensure accommodation arrangements are made. Please consult the PMC website ([www.carleton.ca/pmc](http://www.carleton.ca/pmc)) for the deadline to request accommodations for the formally-scheduled exam (if applicable).

**Religious Observance:** Students requesting accommodation for religious observances should apply in writing to their instructor for alternate dates and/or means of satisfying academic requirements. Such requests should be made during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist, but no later than two weeks before the compulsory academic event. Accommodation is to be worked out directly and on an individual basis between the student and the instructor(s) involved. Instructors will make accommodations in a way that avoids academic disadvantage to the student. Instructors and students may contact an Equity Services Advisor for assistance ([www.carleton.ca/equity](http://www.carleton.ca/equity)).

**Pregnancy:** Pregnant students requiring academic accommodations are encouraged to contact an Equity Advisor in Equity Services to complete a letter of accommodation. Then, make an appointment to discuss your needs with the instructor at least two weeks prior to the first academic event in which it is anticipated the accommodation will be required.

**Plagiarism:** The University Senate defines plagiarism as “presenting, whether intentional or not, the ideas, expression of ideas or work of others as one’s own”. This can include: reproducing or paraphrasing portions of someone else’s published or unpublished material, regardless of the source, and presenting these as one’s own without proper citation or reference to the original source; submitting a take-home examination, essay, laboratory report or other assignment written, in whole or in part, by someone else; using ideas or direct, verbatim quotations, or paraphrased material, concepts, or ideas without appropriate acknowledgment in any academic assignment; using another’s data or research findings; failing to acknowledge sources through the use of proper citations when using another’s works and/or failing to use quotation marks; handing in substantially the same piece of work for academic credit more than once without prior written permission of the course instructor in which the submission occurs.

All suspicions of plagiarism will be dealt with according to the Carleton’s Academic Integrity Policy: “[Academic Integrity and Offenses of Conduct](#)”. The Associate Dean of the Faculty will conduct a rigorous investigation, including an interview with the student. Penalties are not trivial. They may include a mark of zero for the plagiarized work or a final grade of F for the course. Student or professor materials created for this course (including presentations and posted notes, labs, case studies, assignments and exams) remain the intellectual property of the author(s). They are intended for personal use and may not be reproduced or redistributed without prior written consent of the author(s).

### **Submission, Return and Grading of Term Work:**

All assignments for this course are to be submitted online.

Final standing in courses will be shown by alphabetical grades. The system of grades used is standard to Carleton.

90-100:	A+
85-89:	A
80-84:	A-
77-79:	B+
73-76:	B
70-72:	B-
67-69:	C+
63-66:	C
60-62:	C-

57-59:	D+
53-56:	D
50-52:	D-
0-50:	F

Standing in a course is determined by the course instructor subject to the approval of the Faculty Dean. This means that grades submitted by an instructor may be subject to revision. No grades are final until they have been approved by the Dean.

Carleton E-mail Accounts: All email communication to students will be from the instructor's e-mail ([menelhil@yahoo.com](mailto:menelhil@yahoo.com)) to the students' official Carleton university e-mail accounts through Brightspace. Important course and university information is distributed this way, so it is the student's responsibility to monitor their Carleton accounts. However, do not e-mail the instructor through Carleton or Brightspace, and use the e-mail above for all communications.