

The Euro and the Battle of Ideas (DRAFT)

Instructor: Corinne Tomasi

Email: corie@ufl.edu

Office: 3318 Turlington Hall

Office Hours: Tuesdays, 2:00 – 4:00 pm; Fridays 11:00 am – 2:00 pm (or by appointment)

Class Meeting Time: Mondays, 4:05 – 4:55 pm

Classroom: 2303 Turlington Hall

Course Description

European integration has been fueled in part by the so called “Franco-German motor,” the combined drive of the EU’s two largest member states to see the European project succeed. Yet, integration has not always been driven by French and German consensus, but rather conflict and compromise. This is no more evident than in one of the greatest achievements of integration, the European Economic and Monetary Union (EMU). However, the EMU has faced numerous challenges since its inception in 1999, in particular the Eurozone crisis just ten years after the launch of the single currency. This class will explore to what extent the asymmetry at the core of EMU is an outcome and reflection of the philosophical difference between France and Germany in the area of monetary and fiscal policy and its political ramifications for the EU today. We will discuss the battle for influence between the two countries in the evolution of EMU, the institutional set up that led to the sovereign debt crisis, and the EU response to the crisis. While the book “ends” in 2015, the class will expand the discussion to analyze if the tension between French and German economic philosophy can be seen in more recent responses to economic crises caused by COVID-19, rising inflation, and the war in Ukraine.

Course Objectives

Upon completion of this course, students will be able to:

- Discuss the competing economic philosophies of the two main drivers of EMU, Germany and France.
- Explain how the competing philosophies impacted the evolution and current institutional arrangements of the EMU.
- Analyze how the institutional asymmetries in EMU contributed to the eurozone crisis.
- Apply the German and French economic philosophies to the current economic environment in the EMU today to assess policy decisions and outcomes.

Required Materials

- Brunnermeier, Markus, Harold James, and Jean-Pierre Landau. 2016. *The Euro and the Battle of Ideas*. Princeton University Press.
- Various articles and book chapters assigned in syllabus (to be available in Canvas)

Assignments

- **Attendance & Participation – 10 points**

The class meets once a week, and attendance is required to succeed in the class. Students are allowed one (1) free unexcused absence. Subsequent absences will result in 5 points off your final attendance grade.

This class is discussion based, and therefore active participation is required. Students will serve as discussion leaders once during the semester (see below) but are expected to still contribute on weeks when not leading the discussion.

- **Reading Quizzes – 30 points**

There are six (6) reading quizzes during the semester (~ 1 every two weeks) worth 5 points each. Quizzes will be completed through Canvas and will be open note but timed (15 minutes). Quizzes will open after class on Monday (6:00 pm) and remain open until noon the following day.

- **Discussion Leader – 30 points**

Students will sign up for one (1) week during Part II of class to serve as discussion leader. There may be more than one discussion leader per week depending on class size. The discussion leader will:

1. Submit (at least) 3 questions by Friday, 5:00 pm, before the week they are leading discussion. Discussion questions should engage students in a dialogue (i.e. avoid narrowly structured, “yes/no”, questions).
2. Give a 5-10 minute introduction to the week’s reading in class.
3. In addition, each student leader will submit one proposed reading quiz question – either a multiple choice, true/false, or fill-in-the blank – for consideration for the reading quiz.

- **Podcast Project – 30 points**

Students will create a podcast (individually or in pairs) using the central argument from the book to discuss the current economic climate in the European Economic and Monetary Union. The book explores the monetary union following the global financial crisis and the sovereign debt crisis – can we see the philosophical differences between France and Germany playing out in the EU’s responses to current economic crises, such as COVID-19, rising inflation, etc.? More details will be provided on Canvas.

Grading Scale (*UF standard*)

Grade	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	E
Score	93.4-100	90-93.3	86.7-89.9	83.4-86.6	80-83.3	76.7-79.9	73.4-76.6	70-73.3	66.7-69.9	63.4-66.6	60-63.3	0-59.9

Students Requiring Accommodations

Students with disabilities who experience learning barriers and would like to request academic accommodations should connect with the disability Resource Center by visiting <https://disability.ufl.edu/students/get-started/>. It is important for students to share their

accommodation letter with their instructor and discuss their access needs, as early as possible in the semester.

Course Evaluation

Students are expected to provide feedback on the quality of instruction in this course by completing online evaluations at <https://gatorevals.aa.ufl.edu/>. Evaluations are typically open during the last two or three weeks of the semester, but students will be given specific times when they are open. Summary results of these assessments are available to students at <https://gatorevals.aa.ufl.edu/>

University Honesty Policy

UF students are bound by The Honor Pledge which states, “We, the members of the University of Florida community, pledge to hold ourselves and our peers to the highest standards of honor and integrity by abiding by the Honor Code. On all work submitted for credit by students at the University of Florida, the following pledge is either required or implied: “On my honor, I have neither given nor received unauthorized aid in doing this assignment.” The Honor Code (<https://www.dso.ufl.edu/sccr/process/student-conduct-honor-code/>) specifies a number of behaviors that are in violation of this code and the possible sanctions. Furthermore, you are obligated to report any condition that facilitates academic misconduct to appropriate personnel. If you have any questions or concerns, please consult with the instructor or TAs in this class.

Counseling and Wellness Center

Contact information for the Counseling and Wellness Center:

<http://www.counseling.ufl.edu/cwc/Default.aspx> , ph. 392-1575. For emergencies contact the University Police Department: ph. 392-1111 or 9-1-1.

COURSE SCHEDULE*

Week 1 (August 28) – **Course Introduction**

PART I: INTRO TO THE EUROPEAN UNION

Week 2 (September 4) – No Class, Labor Day

Week 3 (September 11) – **Historical Survey of the EU**

Readings:

- McCormick, John. 2021. “The Evolution of the EU.” in *Understanding the European Union: A Concise Introduction*, 8th ed. (London, Bloomsbury Academic): 45-66
- Van Oudenaren, John. 2021. “Introduction: EU in an Age of Crisis.” in *Crisis and Renewal: An Introduction to the European Union* (Oxford University Press): 1-27.

Week 4 (September 18) – **Institutions of the EU**

Readings:

- McCormick, John. 2021. “The European Institutions.” in *Understanding the European Union: A Concise Introduction*, 8th ed. (London, Bloomsbury Academic): 67-87
- De Grauwe, Paul. 2020. “The European Central Bank.” in *Economics of Monetary Union*, 13th Edition (Oxford, Oxford University Press): 164-187.

Week 5 (September 25) – **European Economic and Monetary Union**

Readings:

- Chang, Michele. 2016. “History of Economic and Monetary Union.” *Economic and Monetary Union* (Bloomsbury Publishing): 9-34.
- Quaglia, Lucia. 2017. “The Politics of an Asymmetric Banking Union.” EUI Working Paper 2017/48

Week 6 (October 2) – **The GFC and the European Sovereign Debt Crisis**

Readings:

- Szczepanski, Marcin. 2019. “A Decade on from the Crisis: Main Responses and Remaining Challenges.” European Parliamentary Research Service Briefing. [https://www.europarl.europa.eu/RegData/etudes/BRIE/2019/642253/EPRS_BRI\(2019\)642253_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2019/642253/EPRS_BRI(2019)642253_EN.pdf)
- Frieden, Jeffry and Stefanie Walter. 2017. “Understanding the Political Economy of the Eurozone Crisis.” *Annual Review of Political Science* 20: 371-390.

Recommended:

* Instructor reserves the right to make changes to the schedule if needed, and will update students in advance of any adjustments.

- “Inside Europe: Ten Years of Turmoil: Going for Broke.” BBC.
https://www.youtube.com/watch?v=4jf_CW44S70.

PART II: THE EURO AND THE BATTLE OF IDEAS

Week 7 (October 9) – Power Shifts

Readings:

- Brunnermeier et al. (2016), Intro and Chapter 2 (p. 1-41)

Week 8 (October 16) – German and French Differences

Readings:

- Brunnermeier et al. (2016), Chapters 3-4 (p. 42-84)

Week 9 (October 23) – Ghost of Maastricht (Part I)

Readings:

- Brunnermeier et al. (2016), Chapters 5-6 (p. 87-117)

Week 10 (October 30) – Ghost of Maastricht (Part II)

Readings:

- Brunnermeier et al. (2016), Chapters 7-8 (p. 118-156)

Week 11 (November 6) – Financial Crises

Readings:

- Brunnermeier et al. (2016), Chapter 10 (p. 175-211)

Week 12 (November 13) – Other Perspectives: International Monetary Fund

Readings:

- Brunnermeier et al. (2016), Chapter 14 (p. 289-314)

Week 13 (November 20) – Other Perspectives: European Central Bank

Readings:

- Brunnermeier et al. (2016), Chapter 15 (p. 315-376)

PART III: 2023 – THE BATTLE CONTINUES?

Week 14 (November 27) – Black and White or 27 Shades of Gray?

Readings:

- Brunnermeier et al. (2016), Conclusion (p. 377-392)
- Schild. 2020. “EMU’s Asymmetries and Asymmetries in German and French Influence on EMU Governance Reforms.” *Journal of European Integration* 42(3): 449-464.

Week 15 (December 4) – **Conclusions and Wrap-up**
Readings: