Dr. Conor O'Dwyer Office: AND 203 Ph. 273-2355 Office hours: M 2:45-3:45 W 10:45-11:45 Dr. Petia Kostadinova Office: TUR 3324A Ph. 392-8902, x 207 Office hours: W 2:00-3:30pm R 9:00-10:30am and by appnt

Jean Monnet European Studies Module\*

#### EUS 4212/POS 4931 European Economic Integration: Politics and Policy

**Course Description:** This course is designed to provide students with a unique perspective on the political economy of European Union (EU) economic integration. It is an interdisciplinary course that covers topics ranging from the economic and political justification for economic integration to the links between EU enlargement and post-communist economic transition to the role of the Euro in the world. In addition, the course will require participation in two in-class debates. In each, two teams will present policy briefs on complex and controversial policy choices that the EU has faced over the course of its institutional evolution. The final activity of the course is a day-long seminar where students will present research paper findings to a group of local social studies and economics teachers. The course requires at least a basic knowledge in the history and institutions of the European Union. Students who do not have EU knowledge should see the instructors for additional readings.

Book(s):

William Wallace, Helen Wallace, Mark Pollack, eds. *Policy-Making in the European Union*, 5th ed. (Oxford UP, 2005).

As indicated in the course schedule below, most other readings are available through the UF E-reserves system, although very few are on 2-hour course reserves.

#### **Course Requirements:**

Two in-class exams (50% total): Midterm (20%) Final (30%) Participation in one of two class debates (10%) Research Paper (20%) Participation in student-teacher seminar (10%) Attendance and participation (10%)

#### **Grading Scale**

А	100-90	B+	85-89.9	В	80-84.9
C+	75-79.9	С	70-74.9	D +	65-69.9
D	60-64.9	Е	< 60		

**Class attendance and participation in class discussion are mandatory:** Students are expected to attend every class meeting, and come prepared to discuss the assigned readings. Eighty percent of the attendance and participation grade will be based on attendance. Regular and thoughtful participation in the class discussion will contribute towards 20% of the attendance and participation grade. Throughout the course students are encouraged to raise questions and relevant discussion topics in class, and students are expected to contribute to all class discussions. To prepare for discussions, it is important that assigned readings be completed prior to the corresponding class period. To receive credit for participation, students are required to ask questions, raise issues, express opinions, etc. regarding the topics covered, as well as

\*The development and teaching of this course are funded by the Jean Monnet Program of the European Union and the Center for European Studies at the University of Florida

respond to the questions. Students who do not feel comfortable speaking in class must contact the instructors by the second week of class at the latest to arrange for alternative methods of participation.

**Research Paper:** Each student is expected to produce a research paper whose topic fits in one of the three themes; (1) a particular theoretical debate concerning European economic integration; (2) the experience of a particular EU member state with the process of economic integration in the EU; or (3) the significance/impact of the single currency for non-EU member states. Papers are due by **5:00pm** on **April 14**. Students are required to have their topics approved by one of the instructors.

**Student-Teacher Seminar:** All students are required to participate in a day-long seminar to be held on **April 16**, where they will present the findings of their research papers to a select group of local high school teachers. In exchange for participation in the seminar, there will be no class on Feb 2 and April 15. More details about the seminar and the presentations will be provided after the drop-add period.

**Make-up for the examinations:** If a student cannot attend an examination, s/he needs to notify the instructors as soon as physically possible by phone, fax or e-mail. Our e-mails are available 24 hours a day. Students who fail to notify the instructors prior to the examination will not be allowed to take it. Make-ups will be given only to students who have been unable to take the regularly scheduled exam due to a medical or personal condition which has incapacitated them. Written documentation explaining the situation is required for make-up exams. We need to receive the documentation before we allow any student to take a make-up.

If any make-up exams are necessary, they will be given during the week of final examinations, at a time that is convenient for both the student and the instructors.

**Students with Disabilities** who require individualized testing and other accommodations should identify themselves to the instructors and express their needs. Where the disability is not immediately apparent, verification will be required.

Academic Honor: Students are expected to adhere to the UF Student Honor Code. The academic honor system of the University of Florida is based on the premise that each student has the responsibility (1) to uphold the highest standards of academic integrity in the student's own work, (2) to refuse to tolerate violations of academic integrity in the University community and (3) to foster a high sense of integrity and social responsibility on the part of the University community.

Students violating the honor code will receive zero (0) points for the assignment or exam in question, and may receive an 'F' for the class.

## DETAILED SYLLABUS

#### I. The Political Economy of European Integration: A Theoretical Overview

Jan 7 Introduction to the class (O'Dwyer & Kostadinova)

\* Wallace and Wallace. 2005. *Policy-Making in the European Union*, Ch. 1 "Theorizing EU Policy-Making," pp. 13-48.

Jan 9 Short Overview of EU Policy-making: institutions and actors (Kostadinova)

\* Wallace and Wallace. 2005. *Policy-Making in the European Union*, Ch. 2 "An Institutional Autonomy and Five Policy Models" pp. 49-89.

Jan 12 Unlocking economic growth and efficiency through market integration (Kostadinova)

\* Christopher Dent. 1997. *The European Economy: The Global Context*. Pp. 26-45. (E-RESERVES). \* Alfred, Tovias. 1991. "A Survey of the Theory of Economic Integration". *Journal of European Integration*. 15(1): 5-23. (E-RESERVES).

Jan 14 Regional integration and market regulation in an increasingly global economy (Kostadinova)

\* George Ross. 1998. "European Integration and Globalization". In Roland Axtmann, ed. *Globalization and Europe: Theoretical and Empirical Investigations*. Pinter, pp. 164-183. (E-RESERVES).

## A. An Ongoing Debate: EU integration and the "European Social Market Model" (Kostadinova)

Jan 16-23 Two visions of Europe: neo-liberal v. regulated capitalism

\* Gosta Esping-Andersen. 1990. *The Three Worlds of Welfare Capitalism*. Princeton University Press. Ch. 1 (E-RESERVES)

\* Kathleen McNamara. 1999. "Consensus and Constraint: Ideas and Capital Mobility in European Monetary Integration", *Journal of Common Market Studies* 37(3): 455–76 (E-RESERVES)
\* Claus Offe. 2003. "The European Model of "Social Capitalism": Can it Survive European Integration?", *The Journal of Political Philosophy* 11(4): 437-469. (E-RESERVES)

\* Additional *Economist* articles to be assigned.

## Jan 19 NO CLASS: MARTIN LUTHER KING DAY

#### B. A Political and Institutional Change in the Process of European Integration (O'Dwyer)

Jan 26 Guest Speaker Petr Rumpel (Department of Social Geography and Regional Development at the University of Ostrava)

Jan 28 Positive vs. Negative Integration

\* Wallace and Wallace. 2005. *Policy-Making in the European Union*, pp.102-106 \* Knill, C. and Lehmkuhl, D. (1999) 'How Europe Matters: Different Mechanisms of Europeanization', European Integration Online Papers 3(7) <u>http://papers.ssrn.com/sol3/papers.cfm?abstract\_id=302746</u>

Jan 30 Problem of Political Legitimacy

\* Larry Siedentop, *Democracy in Europe* (New York: Columbia UP, 2001): Ch. 2 "Where Are Our Madisons?" (pp. 25-46) (E-RESERVES)

\* Andrew Moravcsik, "In Defense of the Democratic Deficit: Reassessing Legitimacy in the European Union" *The Journal of Common Market Studies*, 40, (4), 2002, 603-624 (E-RESERVES) or (<u>http://www.princeton.edu/~amoravcs/library/deficit.pdf</u>)

Feb 2 No class. Mandatory participation in seminar on April 16.

# **II.** EU Integration in Practice (Part I): Political Economy of Integration before Eastern Enlargement

#### A. Policies to Unlock Market Efficiencies: Economic Perspective (Kostadinova)

Feb 4/6/9 From Customs Union to Monetary Union

\* Wallace and Wallace. 2005. *Policy-Making in the European Union*, Ch. 4&6.
\* Amy Verdun. 2002. "Why EMU Happened" in Patrick Crowley, ed. *Before and Beyond the EMU*. Routledge. (E-RESERVES)

Feb 11 The Euro, The Bank and Stability in the Eurozone

\* Paul De Grauwe. 2007. *Economics of the Monetary Union*. Oxford University Press. Ch. 4: "Costs and Benefits Compared" (pp. 81-96 only) (E-RESERVES)
\* Paul De Grauwe. 2007. *Economics of the Monetary Union*. Oxford University Press. Ch. 8: "The European Central Bank" (on 2-hour COURSE RESERVES)

Feb 13 Competition policy within the EU

\* Wallace and Wallace. 2005. Policy-Making in the European Union. Ch. 5

#### Feb 16IN-CLASS MIDTERM

#### **B.** Building Political Support for Economic Integration (O'Dwyer)

Feb 18 Common Agricultural Policy (CAP)

\* Wallace and Wallace. 2005. *Policy-Making in the European Union*, Ch. 7 "Agricultural Policy" pp. 161-191.

Feb 20 Reforming CAP?

\* Peter Nedergaard, "The 2003 Reform of the Common Agricultural Policy: Against all Odds or Rational Explanations?" *European Integration*, Vol. 28, No. 3 (July 2006): 203–223. (E-RESERVES)
\* Larry Neal. 2007. *The Economics of Europe and the European Union*, ch. 4 "The Common Agricultural Policy and Reforms: feeding Europe and then some" (E-RESERVES)

## STUDENT DEBATE ON CAP (Feb 23)

Feb 25 Cohesion Policy and the Structural Funds

\* Wallace and Wallace. 2005 *Policy-Making in the European Union*, Ch. 9 "Cohesion and the Structural Funds," pp. 1213-242.

Feb 27 Social Policy

\* Wallace and Wallace. 2005. *Policy-Making in the European Union*, Ch. 10, "Social Policy," (Oxford: Oxford UP, 1996): pp. 243-278.

## **C. EU integration and varieties of capitalism: Evidence for the Convergence of National Economies? (Kostadinova)**

Mar 2/4 Convergence or divergence of national policies

\* Martin Rhodes. 2002. "Why EMU is – or May Be – Good for the European Welfare States". In Kenneth Dyson, ed. *European States and the Euro*. Oxford University Press. (E-RESERVES).
\* Kenneth Dyson, ed. *European States and the Euro*. Oxford University Press. Read <u>one</u> of the following chapters (on 2-hour COURSE RESERVES):

Chapter 4: Britain and EMU

Chapter 5: EMU: A Danish Delight and Dilemma

Chapter 6: The French State in the Euro-zone: 'Modernization' and Legitimizing *Dirigisme* Chapter 7: Germany and the Euro: Redefining EMU, Handling Paradox, and Managing Uncertainty and Contingency

Chapter 8: The Italian State and the Euro: Institutions, Discourse, and Policy Regimes Chapter 9: The Netherlands and EMU: A Small Open Economy in Search of Prosperity

## III. Economic Transition and EU Enlargement in Contemporary Eastern Europe

# A. Another Dimension in the Triple Transition?: EU Accession in the Context of Postcommunist Political, Economic, and National Transitions (O'Dwyer)

Mar 6 Introduction to Eastern Enlargement

\* Wallace and Wallace. 2005. *Policy-Making in the European Union*, Ch. 16, pp. 401-428. \* Claus Offe, "Capitalism by democratic design? Democratic theory facing the triple transition in East Central Europe," *Social Research*, Fall, 2004 (http://findarticles.com/p/articles/mi\_m2267/is\_3\_71/ai\_n6364142/print)

Mar 9-13 SPRING BREAK

Mar 16 Visit by Grzegorz Ekiert (Professor of Political Science and European Studies, Harvard University)

Mar 18: The Triple Transition in Practice

\* Milada Vachudova and Tim Snyder, "Are Transitions Transitory? Two Types of Political Change in Eastern Europe Since 1989," *East European Politics and Societies* 11:1(1997): 1-35. (E-RESERVES)

Mar 20 Why should postcommunist countries join the EU?

\* "When East Meets West" *The Economist* (November 20, 2003). [http://web.clas.ufl.edu/users/codwyer/EU\_Policymaking/WhenEastMeetsWest.pdf]

\* "SURVEY -- European Union Enlargement: Joining the west," *The Economist* (May 17, 2001). [http://web.clas.ufl.edu/users/codwyer/EU\_Policymaking/JoiningTheWest\_Economist.pdf]

\* Andrew Moravcsik and Milada Anna Vachudova, "National Interests, State Power, and EU Enlargement" *Working Paper, Center for European Studies*, Harvard University, (2002)

(http://www.princeton.edu/~amoravcs/library/eeps.pdf)

Mar 23-25 "Europeanization East"?: How might accession transform postcommunist Europe?

\* Schimmelfennig, F. and U. Sedelmeier (2005) 'Introduction: Conceptualizing the Europeanization of Central and Eastern Europe', in F. Schimmelfennig and U. Sedelmeier (eds.), *The Europeanization of Central and Eastern Europe*, Cornell: Cornell University Press, pp. 1-28. (E-RESERVES)

#### **B.** Post-accession Institutional Changes (Kostadinova)

Mar 27 Reforming EU institutions: budgetary spending and other

\* The great debate begins," The Economist (Feb 10, 2005).

\* Wallace and Wallace. 2005. Policy-Making in the European Union. Ch. 8

\* Youri Devuyst. 2003. *The European Union at the crossroads : the EU's institutional evolution from the Schuman Plan to the European Convention*. Peter Lang Publishing. Ch. 4. "Differentiation, Solidarity, Philosophical Openness and the EU's Future" (E-RESERVES)

Mar 30 EMU and the New Member-States

There are a lot of charts and graphs in these readings so they only seem long.

\* Ignazio Angeloni. 2007. "Monetary Integration of the New EU Member States: What Sets the Pace of Euro Adoption?", *Journal of Common Market Studies* 45(2): 367-409 (E-RESERVES) \*Gros, Daniel. 2003. "Central Europe on the Way to the EMU" in Stefano Manzochi, ed. *The Economics of Enlargement*. Palgrave. (E-RESERVES)

## **STUDENT DEBATE ON EMU (April 1)**

Apr 3 Guest Speaker Marcus Hammer, University of Hannover.

## C. Europeanization of Postcommunist Europe? Some Case Studies (O'Dwyer)

Apr 6 Deepening Democracy?

\* Grzegorz Ekiert, Jan Kubik and Milada Anna Vachudova, "Democracy in the Post-Communist World: An Unending Quest?" *East European Politics and Societies* 21:7(2007): 7-30. (E-RESERVES) \* Jan Zielonka, "The Quality of Democracy after Joining the European Union," *East European Politics and Societies* 21:7(2007): 162-180. (E-RESERVES)

Apr 8 Minority Rights After Accession

\* Conor O'Dwyer and Katrina Z.S. Schwartz, "Minority Rights After EU Enlargement: A Comparison of Antigay Politics in Poland and Latvia," Comparative European Politics, forthcoming.

Apr 10 A Challenge to the European Social Market Model?

\* Alexei Barrionuevo, "Slovakia Turns the Tables," Wall Street Journal, January 12, 2005, 9. \* "Dancing an Irish Jig: EU Newcomers will mimic the nimble Gaels -- if they get the chance," *The Economist* (April 17, 2004). \* Conor O'Dwyer and Branislav Kovalčík, "And the Last Shall be First: Party System Institutionalization and Second-Generation Economic Reform in Postcommunist Europe," *Studies in Comparative International Development* 41:4 (Winter 2007): 3-26. (E-RESERVES)

## **IV. Future of European Economic Integration**

Apr 13 The European Response to the Current Financial Crisis

\* Alan Cafruny. 2003. "Europe, the United States, and Neoliberal (Dis)Order". In Alan Cafruny and Magnus Ryner, eds. A Ruined Fortress?. Rowman and Littlefield. (E-RESERVES)

Additional Newspaper Readings TBA

#### PAPERS DUE ON APRIL 14, BY 5:00PM

Apr 15 No class. Mandatory participation in seminar on April 16.

Apr 17-20 Globalization and European Integration (Kostadinova)

\* Harry P. Bowen & Leo Sleuwaegen. 2007. "European Integration: the third step", *International Economics and Economic Policy*, 4:241–262 (E-RESERVES)

\* Paul De Grauwe. 2007. *Economics of the Monetary Union*. Oxford University Press. Ch. 11: "The Euro and Financial Markets" (on 2-hour COURSE RESERVES)

\* Leibfried, Stephan. 2000. "National Welfare States, European Integration and Globalization: A Perspective for the Next Century", *Social Policy and Administration* 34(1): 44-63 (E-RESERVES)

April 22 Catch-up and Review

## FINAL EXAM DURING EXAM DAYS