

Ankara Yildirim Beyazit University

Faculty of Political Sciences

Department of Economics

2024-2025 Academic Year / Fall Semester

ECON 411 The Economy of EU and Turkey Course Syllabus

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Course Schedule & Place: Monday 09.45 – 11.50 & B-380 D-8

Course Description & Objectives:

This course offers a comprehensive examination of the economic framework, policies, and integration processes within the European Union (EU). It is designed for students with a foundational understanding of economics, and the course delves deeply into the mechanisms that drive EU economic policies and their implications for both member states and the global economy. Through detailed lectures, in-depth case studies, and interactive discussions, students will explore the complexities of economic integration, fiscal and monetary policies, and trade regulations in the EU.

The aims of this course are to:

- 1) explore the historical evolution of the European Union, including key treaties, milestones, and trade and monetary policies that have shaped its formation and development. This includes understanding the transition from early economic cooperation agreements to the establishment of a comprehensive economic union.
- 2) provide students with an advanced theoretical and policy-oriented framework for understanding economic integration, with a particular focus on the European Union as its primary manifestation. The course will delve into both real and monetary theories of economic integration, offering a comprehensive analysis of their applications and implications.
- 3) develop a comprehensive understanding of the economic policy framework in the EU, including the objectives, mechanisms, and rules that guide economic policy within the EU. This includes the Stability and Growth Pact, the European Semester, and fiscal coordination among member states.
- 4) gain a comprehensive understanding of the EU's Common Agricultural Policy (CAP) and its goals of supporting farmers, ensuring food security, and fostering rural development, learn about EU labor market policies, focusing on employment regulations, social dialogue, and initiatives to enhance labor market outcomes, and investigate the role of the EU's Cohesion Policy in reducing regional disparities and promoting balanced economic development across the EU.

5) examine the key elements and impacts of EU trade policy, including its influence on both member states and global trade dynamics, analyze the structure and mechanisms of European Monetary Policy, including its formulation, implementation, inspect the functioning and regulation of EU financial markets, and their role in the broader European economy, and finally explore the principles and practices of European Fiscal Policy, including budgetary rules and their implications for economic stability and growth.

Course Requirements & Readings

All students are required to read the course materials. Textbooks are indicated below:

The Economics of Europe and the European Union, Larry Neal, Cambridge University Press, 1st Edition, 2007. (Main Textbook)

Understanding the European Union. John McCormick, Bloomsbury Academic Press, 8th Edition, 2021. (Main Textbook)

The Economics of European Integration, Richard Baldwin & Charles Wyplosz, McGraw-Hill Higher Education; 4th Edition, 2012.

There will be additional readings in the following weeks. They will be announced and posted to AYBUZEM.

Grading

The course will have a midterm in the middle of the semester and a final exam at the end. Grading will be based on the following weights: Midterm Exam (40%) and Final exam (60%).

*Note: Course attendance is mandatory.

Overview of the Course

Week 1: Globalization & Regionalization (Readings)

Week 2: European Union – Introduction (Neal, Chapter 1 & 2; McCormick, Chapter 1 & 2)

Week 3: Economic Integration (Part I) (Neal, Chapter 3 & 7; McCormick, Chapter 3)

Week 4: Economic Integration (Part II) (Neal, Chapter 3 & 7; McCormick, Chapter 3)

Week 5: Economic Integration (Part III) (Neal, Chapter 3 & 7; McCormick, Chapter 3; Baldwin, Chapter 4 & 5)

Week 6: European Agricultural Policy (Neal, Chapter 4 & Baldwin, Chapter 9)

Week 7: EU Trade Policy (Baldwin, Chapter 12) & (Neal, Chapter 7)

Week 8: EU Capital Markets (Neal, Chapter 9)

Week 9: EU Labor Markets (Neal, Chapter 8)

Week 10: European Monetary Policy (I) (Neal, Chapter 5 & 6; Baldwin, Chapter 14,15)

Week 11: European Monetary Policy (II) (Neal, Chapter 5 & 6; Baldwin, Chapter 14,15)

Week 12: EU Financial Markets (Baldwin, Chapter 18 & Neal, Chapter 9)