

Dr. Astrid Krenz  
Chair of International and Monetary Economics  
Georg-August-Universität Göttingen

## **The Economics of European Integration and Monetary Policy**

Lecture for Master students in the summer term 2017

### **Course description:**

The lecture covers several topics in European Economics. It is divided into two parts. In the first part, we will deal with the history and institutions of the European Union, integration theory, liberalization and customs unions, growth and factor reallocation, European regional policy, as well as trade and competition policy. In the second part, we will talk about monetary integration in the European Union, the monetary policy of the ECB and the demands during the Financial Crisis. Further, the course will cover issues in European enlargement, international relations and the Brexit.

The course will touch on the historical, institutional and political background of European integration, but will have a main focus on the **economic analysis** of market outcomes and policies for the European Union. For that purpose, the economic activities of households, firms, and regions will be examined and the impact of European integration upon the economic agents and in regional space shall be clarified. We will deal with **economic theory models** which are explaining the process of integration.

Further information about the course, its contents and structure will be given during the first lecture.

### **Participants:**

The course is open to Master students (from semester 1-3) from the following fields of study:

VWL MSc

BWL MSc

WiInf MSc

WiP MEd .

### **Recommended previous knowledge:**

Good BA-level knowledge in **Mathematics, Microeconomics and Macroeconomics** is strongly recommended and basic knowledge in Econometrics. Prior knowledge in International Trade is advised.

### **Time and Room:**

Tuesday, 08:30-10:00, ZHG 104

### **Begin:**

Tuesday, 11.4.2017, 08:30-10:00

**Exams:**

1. Exam: Monday, 10.7.2017, room tba
2. Exam: Tuesday, 12.9.2017, room tba

**Contact:**

Dr. Astrid Krenz

Department of Economics

Georg-August-Universität Göttingen

Platz der Göttinger Sieben 3

37073 Göttingen, Germany

Phone: 0551 397296

Email: astrid.krenz@wiwi.uni-goettingen.de

Room Oec 2.148

Office hours: Wednesday, 13:00-14:00

**Course Outline**

Part I

Chapter 1

The history and institutions of the European Union

Chapter 2

2.1 Integration theory: Liberalization and Customs Unions

2.2 Trade Policy and Agreements of the European Union

2.3 The Model of Economic Growth and Factor Reallocation

Chapter 3

3.1 Spatial effects and Regional Policy of the EU

3.2 Competition Policy of the EU

Part II

Chapter 4

4.1 Monetary integration

4.2 History and Institutions of the European Monetary Union

4.3 Monetary Strategy of the ECB

4.4 Inflation in the European Union

4.5 Implementation of European Monetary Policy

4.6 Monetary Transmission Channels

4.7 Europe during the Financial Crisis

Chapter 5

Further issues (European Enlargement, International Relations, Brexit) and outlook

**Basic literature:**

Richard Baldwin, Charles Wyplosz (2015), The Economics of European Integration, McGraw Hill Education. (You will find this book in the WISO library in my folder, the "Semesterapparat")

Harald Badinger, Volker Nitsch (2016), Routledge Handbook of the Economics of European Integration, Routledge, London.

Paul De Grauwe (2012), Economics of Monetary Union, Oxford University Press.

ECB (2011, Sept), The Implementation of Monetary Policy in the Euro Area.

**Supplementary literature:**

Michael Burda, Charles Wyplosz (2009), Macroeconomics: a European text, Oxford University Press.

Larry Neal (2008), The economics of Europe and the European Union, Cambridge University Press.

Pelkmans, Jacques (2006), European integration: Methods and Economic Analysis, Financial Times, Prentice.

Andres Rodriguez-Pose (2006), The European Union: economy, society and polity, Oxford University Press.

Further literature will be announced during the lecture.