



## CIEE Toulouse, France

<b>Course name:</b>	European Economic Integration and Its Impact on the French
<b>Course number:</b>	BUSI 3001 TOFR/ ECON 3001 TOFR
<b>Programs offering course:</b>	Business and culture/Language and Culture
<b>Language of instruction:</b>	English
<b>U.S. Semester Credits:</b>	3
<b>Contact Hours:</b>	45
<b>Term:</b>	Fall 2019

### Course Description

This course presents an overview on the process of European economic integration, both from an economical and from a political point of view. Special emphasis is placed on the different EU policies that have been developed over the years, and how they affect the national economies, with France as a central case study. The course will also address the EU governance and its various institutions, as well as the successive enlargements of the EU and how the entry of less advanced economies has affected more advanced economies, like the French one. It will finally give some examples of EU achievements but also analyze some of its current's threats and challenges.

### Learning Objectives

By the end of the course, students should have a good understanding of the historical steps leading to today's European Union and the main economic challenges. They will be able to understand the extent to which the EU constitutes an asset and/or an obstacle to economic, political and cultural development.

### Course Prerequisites

Soft review prior to the course of your previous lectures in macro-economics, business management and political science (if any). But don't feel too bad if you haven't yet touched these subjects.

### Methods of Instruction

Instruction will be supported by regular readings (see list below) that will feed in class discussions. Readings are assigned to help students gain familiarity with key ideas and terms, which they will then be expected to integrate into their oral and written work (including a midterm and a final exam). The course will be illustrated with several case studies of European-wide companies and a few visits of local European sites.

### Assessment and Final Grade

1. Midterm group presentation:	20%
2. Set of 2 quizzes	10%
3. Set of 2 quizzes	10%
4. Final group presentation:	30%
5. Class participation:	30%



## **Course Requirements**

### **Group Presentations (mid-term and final):**

In small groups of 2 or 3, students will present case studies about European economic, political or cultural policies that have changed and affected French society. The presentation should last about 15-20 minutes and introduce the time and context in which these European policies were implemented as well as the challenges they raised.

One group presentation will be made regarding the first part of the course about economic and business aspects of European integration. The other group presentation will be made regarding the second part of the course, on political and legal aspects of European integration. These presentations will be scheduled throughout the semester and dates will be set at the start of the course.

Each student will have to make two group presentations overall.

Set of 2x2 quizzes: these will be online and during class reviewing previous themes and class discussion. They are 5-question multiple-choice quizzes that will also support the students' review of class material.

### **Attendance**

Regular class attendance is **required throughout the program**. Students must notify Center Director and instructor beforehand if they will miss class for any reason. Students are responsible for any materials covered in class in their absence. Students who miss class for medical reasons must inform the instructor and the Center Director and provide appropriate documentation. An absence in a CIEE course will only be considered excused if:

- a doctor's note is provided
- a CIEE staff member verifies that the student was too ill to attend class
- evidence is provided of a family emergency

Attendance policies also apply to any required co-curricular class excursion or event. Students who miss class for personal travel will be marked as absent and unexcused. No make-up or re-sit opportunity will be provided.

Persistent absenteeism (students exceeding 10% of total course hours missed, or violations of the attendance policies in more than one class) will lead to a written warning from the Center Director, notification to the student's home school, and/or dismissal from the program in addition to reduction in class grade(s). Students with unexcused absences exceeding 20% of the total course hours will fail the course.

- Late papers will be marked down 5% after the first day and 1% every day afterwards
- Being late is disruptive to the entire class and will negatively affect a student's participation grade. Being 10 minutes late just once is still disruptive but can happen to all. Being late more than once, however, will have consequences for the student's participation grade.



Students arriving more than ten minutes late to the class will be considered absent for the session.

## Weekly Schedule

### **European Integration - Part I: Economic and Business aspects**

#### Week 1

##### 1.1

Introduction to the course

Economic value of the European Integration

Readings:

- The EU single market/ How it works and the benefits it offers
- A visual explainer to the EU | FT World – video
- A Brief Summary of the history of European Union enlargement – video
- NATIONAL COMPETITIVENESS 4 Big Economic Questions Now Facing the EU

##### 1.2

Financial crisis and the European resilience

Readings:

- Greece's eight-year odyssey shows the flaws of the EU – Charlemagne
- The EU economy from recovery to resilience
- ESPON\_Territorial Observation 12 Crisis Resilience
- The Crisis in the Eurozone | The World Financial Review | Empowering communication globally

#### Week 2

##### 2.1

The PIGS crisis - the case of Iceland

Readings:

- How Iceland Emerged From Its Deep Freeze - The New York Times
- Is Greece's Debt Sustainable – HBR article
- How did Iceland clean up its banks? - BBC News
- European Debt Crisis Fast Facts - CNN.com



- European Integration - Meeting the Competitiveness Challenge - HBS case 2017

## 2.2

Fiscal arbitration, fiscal paradises and their role in Europe

Readings:

- Corporate Taxes Advantages of a Territorial System (video)
- Did the euro cause prices rise?
- EU lawmakers pass new rules to tackle multinationals' tax avoidance
- Europe needs true fiscal integration, not its own IMF

## Week 3

### 3.1

Airbus : a case of European industrial integration

Readings:

- Airbus: living through yesteryears contradictions, ECCH, 2007

### 3.2

Trade and competition in Europe: the cases of GE vs Honeywell, GE vs Alsthom, Schneider Electric vs. Legrand, Apple, Microsoft and Google

Readings:

- The Anatomy of the GE-Honeywell Disaster – TIME
- European Commission - Commission clears GE's acquisition of Alstom's power generation and transmission assets - Sep 2015
- GE Honeywell - Engine failure | The Economist 2001
- Google faces years of EU oversight on top of record antitrust fine
- Exclusive/ EU considers record fine as panel checks Google Android case

## Week 4

### 4.1

Economic implication of the Brexit and the TTIP

Readings:



- Leo Varadkar says Britain cannot unilaterally end backstop | Financial Times Nov 5 2018
- Brexit is teaching Britain its true place in the world | Financial Times Nov 5 2018
- UK and Brussels close to agreeing Brexit deal | Financial Times Oct 2018
- Brexit timeline/ the key dates in UK's divorce with EU | Financial Times Oct 12 2018
- Paris set to triumph as Europe's post-Brexit trading hub | Financial Times Oct 1 2018
- What would happen if Britain left the EU with no deal? - The Economist explains
- Britain edges closer to a hard Brexit - Daily chart
- The UK economy since the Brexit vote — in 5 charts | Financial Times
- What is the EU single market and how does Brexit affect it? | Financial Times July 5 2018
- Brexit prompts Ferrovial to move holding company out of UK | Financial Times June 26 2018
- Are business schools on the brink of a Brexit talent drain? | Financial Times Nov 6 2017
- Bank of England more optimistic on risk of City exodus post Brexit | Financial Times April 19 2018
- Paris wins battle to host European banking regulator | Financial Times Nov 20 2017
- Why is Britain leaving the single market for services? | Financial Times July 11 2018
- Why calls are growing for a second Brexit referendum | Financial Times July 16 2018
- Donald Trump torpedoes Brexiters' trade hopes | Financial Times July 13 2018
- Donald Trump agrees to cease fire in the trade war with the EU - Sealed with a kiss
- Key points from Brussels' text on Brexit treaty - FT Feb 28 2018
- Brexit - 10 observations on the draft withdrawal agreement
- Norway's deal with the EU still holds lessons for Britain - Silent partner
- This is why Britain is going to have a 'Hard Brexit' no matter what
- The battle beyond Brexit - The battle beyond Brexit
- Brexit London stock market impact
- London banks post Brexit
- What the City stands to lose and gain from Brexit
- A Definitive Guide to the Brexit Negotiations
- The Brexit Unknown—Britain's Boom or Bust



- What has the EU done for the UK - The Economist 2017
- The future of the European Union - The Economist 2017
- What Brexit Means For the Future of British Trade – video
- Brexit has upside potential for both the UK and the EU | Chicago Booth Review
- What economists think about Brexit | Chicago Booth Review

#### 4.2

Macro-economics in Europe and worldwide

Examples of common European achievements in R&D and Education: CERN, ESA, ILL, European Synchrotron, EUMETSAT/EUTELSAT

Readings:

- GBPC Global Economic Outlook 2017-2021
- Global Economic Prospects 2017 - World Bank

#### Week 5

##### 5.1

Mid-term group presentation

### **European Integration - Part II: Political and legal aspects**

#### 5.2

History of European Economic Integration - Part I:

From the ECSC to the EU of 15 members.

The Schuman Plan and the European Coal and Steel Community (ECSC).

Treaties of Rome (EEC) and the European Free Trade Agreement EFTA. 1<sup>st</sup>, 2<sup>nd</sup>, and 3<sup>rd</sup> enlargements

Readings:

- Reflections on the Marshall Plan | Harvard Gazette
- Everything you need to know about European political union

#### Week 6

##### 6.1

History of European Economic Integration - Part II:



#### From the Single Market Act to the EU Eastern Enlargements

- European Monetary System (EMS)
- The Single Market
- Maastricht Treaty
- Fourth enlargement
- Reuniting Western and Eastern Europe: Treaty of Amsterdam, the Treaty of Nice, and the First Eastern Enlargement.

#### Readings:

- Europe An Ever Closer Union - April 2013
- European Monetary Union - May 2001

#### 6.2

##### The European Union's governance and institutions

Council of the European Union. The European Commission. The European Parliament. European Court of Justice. The European Central Bank (ECB)

The various definitions of Europe: European Union, Schengen, the Euro area

#### Readings:

- The two faces of the common market | Chicago Booth Review

#### Week 7

#### 7.1

Flaws in the European structure: diplomacy and power in the EU, regionalism

#### Readings:

- Germany calls for global payments system free of US | Financial Times
- Amid tensions with America, China is turning to Europe - The youth and the rich old man
- How Europe should react to Donald Trump
- Only a determined Europe will save the Iran nuclear agreement
- What to make of Emmanuel Macron's frenetic foreign policy - The Duracell Bunny of diplomacy
- Charting a new German foreign policy - Can Germany take the strain?
- Russian disinformation distorts American and European democracy - Turning politics up to 11
- German politics has become much more complicated - Between open and closed

- Amsterdam in pieces/ why Dutch voters rejected politics as usual
- French election results/ Macron's victory in charts
- German election/ AfD's advance in six charts
- The future of Italy, in the words of voters
- Theresa May under pressure to break Brexit deadlock
- How to break the deadlock in Berlin - The splintering of German politics
- Italy's president makes final attempt to form government

## 7.2

EU enlargement: treaties, implications and challenges

EU and beyond: links with North Africa, Turkey...

Regionalism and Europe: the cases of Catalonia, Corsica, Scotland

The surge of nationalisms

Readings:

- Thanks to Boris Johnson, a farcical west-Balkan summit in London - Carry on in the Balkans
- What are the European Union's eastward expansion plans? - The Economist Nov 28 2017
- The future of the European Union - Creaking at 60, The Economist, March 25, 2017
- Europe has plenty of secessionist movements like Catalonia. Most don't want full independence, though. - The Washington Post, Oct 11, 2017
- Map of European independence movements - Business Insider, June 17, 2017
- Eta announces dissolution and ends campaign for Basque independence, in FT, May 2, 2018
- Scotland tells May to think again, in FT, Apr 25, 2018
- Independence and Brexit have realigned Scots behind the Tories - Uniting the clans, The Economist, May 11, 2017
- The Rise of (Inter-) Regionalism - The EU as a Model of Regional Integration, Tanja A. BoÅrzel and Thomas Risse, Annual Convention of the American Political Science Association, Toronto, Canada, September 2-6, 2009
- Catalan parliament votes to allow exiled leader's re-election, in FT, May 4, 2018
- The European Trust Crisis and the Rise of Populism (& appendix) - BPEA Conference Drafts, September 7-8, 2017
- European politics/ leaders struggle to contain rising populism, in FT, Dec 13, 2017





- Five Star Movement/ the unanswered questions about Italy's populist party, in FT, Sept 17, 2017
- Learning from Europe's populists - Political insurgents, The Economist, Feb 3, 2018
- Poland offers fresh concession to EU over legal reforms, in FT, May 3, 2018
- How "identitarian" politics is changing Europe - White, right and pretentious, The Economist, March 28, 2018

## Week 8

### 8.1

Europe: the challenges of immigration and integration

The Schengen rules

The refugee crisis

Readings:

- Can refugees help to plug Europe's skilled-labour gaps? - Situations vacant - The Economist June 14 2018
- Europeans remain welcoming to immigrants - Daily chart - in the Economist April 2018
- A new paper rekindles a tiresome debate on immigration and wages - Immigration economics - In The Economist 2017
- Business reacts with fury to UK immigration plan - in the FT Sept 2017
- Isolationism is killing the American dream - FT July 2017 by dean of HBS
- US business leaders warn on impact of immigration restrictions - FT May 2017
- Here's Why Europe Really Needs More Immigrants
- How immigration has changed the world – for the better | World Economic Forum
- OECD Migration Policy Debates Number 2
- Immigration Policy in Germany - HBS case 2015
- Managing the European Refugee Crisis - HBS case 2016
- How to explain the Brexit vote (and what it will mean) | Chicago Booth Review Jan 2017
- German Business and the Syrian Refugee Crisis - HBSP 2016
- Refugees Can Bolster a Region Economy - HBR article 2016
- Tech Companies Should Speak Up for Refugees, Not Only High Skilled Immigrants - HBR article 2017



- Refugees Need Jobs - Entrepreneurship Can Help - HBR article 2016
- Europe Can Find Better Ways to Get Refugees into Workforce - HBR article 2015
- WILLKOMMEN TO EUROPE THE POLITICAL ECONOMY OF MIGRATION POLICY IN GERMANY - Stanford Jan 2016

## 8.2

EU and politics: the institutional efficiency and bureaucracy: perceptions/misbeliefs  
Dislocation tensions in Europe: the cases of Poland, Hungary, Germany and the UK  
Readings:

- German politics has become much more complicated - Between open and closed, The Economist, Apr 14, 2018
- Amsterdam in pieces/ why Dutch voters rejected politics as usual, in FT, Aug, 2017
- French election results/ Macron's victory in charts, in FT, May 9, 2017
- German election/ AfD's advance in six charts, in FT, Sept 20, 2017
- The future of Italy, in the words of voters, in FT, Dec 18, 2017
- Theresa May under pressure to break Brexit deadlock, in FT, Apr 20, 2018
- How to break the deadlock in Berlin - The splintering of German politics, The Economist, Nov 23, 2017
- Italy's president makes final attempt to form government, in FT, May 3, 2018
- The European Union's delicate political economy - The Economist 2017
- Britain pulls off a diplomatic coup against Russia at the EU - What about next time?, The Economist, March 23, 2018
- The importance of a European foreign and security policy - Home and abroad, The Economist, March 23, 2017
- Downing St overlooks Johnson's 'crazy customs plan' outburst, in FT, May 8, 2018
- European Investment Bank pulls back on UK funding after Brexit, in FT, Apr 20, 2018
- Alitalia targeted in EU state aid probe, in FT, Apr 23, 2018
- The method to Macron, in FT, May 7, 2018
- Bloomberg chooses Amsterdam as EU trading hub, in FT, May 8, 2018
- How Paris can catch London as Europe's top corporate hub, in FT, Apr 30, 2018
- The Macron plan for Europe, The Economist, Nov. 9, 2017



## Week 9

### 9.1

Security, Defence and Terrorism in Europe. A class discussion

Readings:

- The European Union Policies on Counter-Terrorism (check specially –ß6.1)
- Terrorism and situation trend report European Union 2017
- Security in the Union - a Europe that protects - 2017
- Reflection paper on the future of European defence 2017
- G7 Taormina Statement on the Fight Against Terrorism and Violent Extremism 2017
- Panorama of the combat against terrorism
- High Representative Mogherini presents EU Security and Defence package (video)
- EU Common Security and Defence Policy in action (video)
- Europe's terror threat is real. But its cities are much safer than you think | World Economic Forum
- Terrorism globalview (video)

### 9.2

The European Common Agricultural Policy. A class discussion

Readings:

- EU Organic Agriculture Report Dec 16
- THE DOHA ROUND NEGOTIATIONS AND EU COMMON AGRICULTURAL POLICY - Feb 2017
- Common Agricultural Policy and the Future of French Farming - HBS Case Study 2007

## Week 10

### 10.1

Digital Europe: the future trend? A class discussion

Readings:

- Recommendations of the Strategic Policy Forum on Digital Entrepreneurship - Big data and B2B digital platforms
- Digital Europe Full report June 2016



- BALANCING AMBITION AND PRAGMATISM FOR THE DIGITAL SINGLE MARKET
- Accelerate to a trusted Digital Single Market PwC
- Health and Care in the Digital Single Market

10.2

Final group written examination

### **Course Materials**

#### ***Readings***

- Eichengreen, B. The European economy since 1945: coordinated capitalism and beyond. Princeton: Princeton U.P., 2006
- Baldwin, Richard and Wyplosz, Charles (2006), The Economics of European Integration, McGraw-Hill.
- Neal, Larry (2007), The economics of Europe and the European Union, New York: Cambridge University Press.
- North, Douglass C. 1991, "Institutions," Journal of Economic Perspectives, 5(1), pages 97-112.
- North Douglass C. and Barry R. 1989, "Constitutions and Commitment: The Evolution of Institutional Governing Public Choice in Seventeenth-Century England," The Journal of Economic History, 49(4) pp. 803-832.
- F. A. Hayek 1945, "The use of Knowledge in Society" The American Economic Review, 35(4), pp. 519-530.

#### ***Cases***

- Can the Eurozone Survive - HBS case 2013
- The Brexit Unknown—Britain's Boom or Bust – Darden Case 2017
- Did Apple Pay Too Little Tax - INSEAD case 2016
- The TTIP Bridging the Transatlantic Economy - HBS case 2017
- Managing the European Refugee Crisis - HBS case 2016
- Immigration Policy in Germany - HBS case 2015
- Common Agricultural Policy and the Future of French Farming - HBS case 2007
- European Integration - Meeting the Competitiveness Challenge - HBS case 2017