CIEE in Barcelona, Spain

Course name: The Spanish Economy in the European Union
Course number: ECON 3006 BASP
Programs offering course: Barcelona Business and Culture, Barcelona Economics and Culture, Barcelona Language and Culture
Language of instruction: English
U.S. Semester Credits: 3
Contact Hours: 45
Term: Spring 2019

Course Description

This course will explore the main determinants of Spanish economic growth and convergence since the 1980s, placing a particular emphasis on the country’s specificities. Economic structure, firms’ productivity or labor market particularities – among others- will be reviewed to understand the Spanish Economy. We will also explore sociological trends such as demographic ones, some institutional structure related to economic productivity and output (e.g. healthcare system, public policy or innovation system).

Spain’s membership to the Euro currency area is fundamental in understanding the economy’s development and assessing its prospects. Euro membership facilitated an economic boom, but the country’s net international trade position deteriorated considerably and the economy became heavily dependent on foreign financial inflows, including borrowing from the European Central Bank (ECB). We will study the implications of euro membership in times of crisis, and explore how Spain is adapting to challenges posed.

Learning Objectives

We will use different analysis tools in order to better know the Spanish economy (e.g. tariff analysis, micro and macro-economic analysis, trade patterns); all those analytical tools can be used while analyzing other economies. The main learning objective then is to know and learn how to apply the most recurrent analytical tools for contemporary economies while using auxiliary social sciences such as sociology, political science and economic history for support.

By the end of the course students will know:

- How to characterize a given economy and its international context.
- Where to find and how to interpret the main magnitudes of a given economy.
- The different problems that European economies (and Spain in particular) have faced in recent stages of development and different alternative solutions that scholars and policymakers have proposed.
Course Prerequisites

3 semesters of college-level micro- or macroeconomics. 1 semester of calculus recommended.

Methods of Instruction

The course will consist of lectures, class discussion, student presentations and class dynamics (sub-group discussions, seminars, etc.) that can be useful for better understanding of the contents of the course. Reading material will be referenced on daily basis (mainly small articles, newspaper notes and blog entries) and on weekly basis (book chapters or research papers).

Assessment and Final Grade

1. Class Participation: 20%
2. Midterm: 20%
3. Final: 20%
4. Exercises and activities: 15%
5. Final project (paper + Presentation): 25%
6. Extra-credit (OPTIONAL): 10%

Course Requirements

Class Participation

All students must participate in class discussions and ask relevant questions relative to the topic discussed in class. A proactive attitude in class dynamics is also important. Being present in class is not enough; sharing your opinions, doubts and clarifications about readings, lectures and other class materials is a way to score in participation.

Mid-term and Final Exams

Both exams will consist of open questions to be developed. Notes from the class and printed material can be used but no internet connection will be permitted. The midterm exam will cover the first part of the syllabus and the final exam will cover the rest of it (see schedule below).

Exercises and activities

Exercises and activities are of two kinds: 1) discussion material is provided in class together with some lines of discussion, you'll have to submit the results of the discussion individually, regardless if the activity was done in small or big groups; 2) practical
exercises of the topic discussed in class, you can discuss the way to solve them in
groups or with the professor, also, answers must be submitted individually.

**Final project (Paper and presentation)**

The final project consists of a final paper of 2000 words and a small presentation
(around 8 minutes). The structure of the paper will be discussed in the first classes and
different check points during the course will help you to advance in the elaboration of it.
The paper must be delivered before the last day of class and after the presentation (see
section below). Acceptable topics for the final paper will be discussed in the first weeks
of class (Spanish economy topics, European Union Economy topics, specific industries
studies or comparative exercises are some of the possibilities).

In the last classes of the course you'll have to present your final paper in around 8-10
minutes. The format of the presentation is a seminar, where the presenter delivers the
highlights of his/her paper (motivation, question, arguments and conclusions), and the
rest of the group makes observations, questions and suggestions to help the presenter
to improve the final version of his/her work.

**Extra-credit**

If you need it, you can also opt for extra-points. You must write a small paper of 500
words in any topic related to the Spanish economy. The topic must be approved by the
professor and must be delivered before the 10th week of class. It is an essay format
paper. According to the quality of the essay you might get from 0 to 10 points in a scale
of 100.

**CIEE Barcelona Attendance Policy**

Students are expected to attend all scheduled class sessions on time and prepared for
the day’s class activities. CIEE does not distinguish between justified or unjustified
absences, whether due to sickness, personal emergency, inevitable transport delay
and/or other impediments. You are considered responsible of managing your own
absences. Please keep in mind that exams, paper submission dates, presentations and
any other course work deadlines cannot be changed.

No academic penalty will be applied if students miss up to 1 class session. If students
miss up to 3 class sessions, students’ final course grade will drop 5 points out of 100 on
the CIEE grade scale for each additional absence beyond 3 (for example a 95 will
come a 90 if they reach the 2nd absence, and an 85 if they reach the 3rd absence).
**Students will automatically fail the course if they miss more than 20% of total
class hours (i.e. if they exceed 3 absences).**

For students who miss up to 20% of the total course hours due to extenuating
circumstances, the Academic Director may allow for exceptions to the local attendance
policy based on documentation such as proof of bereavement, religious observances,
hospitalization etc.
Students arriving more than 10 minutes late to the class will be considered absent for a day.

**Weekly Schedule**

**Week 1**
Presentation of the course, methods to be used, contents of the course, groups setting and explaining what is expected from the students’ presentation and the essay. Exposing first definitions of the courses, unit of study (what should we understand when we hear the word “Spain” and what a modern economy is?)

**Activity 1: Autarky**

**Week 2**
“Spain is different”, brief history of Spain and how certain history facts conditioned the economic development of Spain. Synchronizing with Europe: Democracy and joining the European club.

**Activity 2: After God Muñoz**

**Due: final paper topic**

**Week 3**
European Integration: From the post WWII to the European Union. Different theories used to explain the EU: Institutionalism, Market integration, Custom Union, etc.

**Activity 3: Illiteracy and Capitalism**

**Week 4**
The Economics of European Integration: Comparison with other models (multilateral trade liberalization). Demand and supply of import and export. Barriers to trade.

**Week 5**
“The good fellow”: from the entry to the EU to the setting of the Maastricht treaty (monetary union).

**Activity 4: Supranationalism and Intergovernmentalism**

**Week 6**
Spanish crisis before the Euro.
What it was said before the creation of the Euro: Reasons of supporters and those against.

**Week 7**
Short review and Presentation of the second part of the course.

**Mid-Term**

**Due: Final paper general structure**

**Week 8**
2008-2013 Crisis in Spain and Europe. Multinational causes and local actions. Consequences and proposed solutions: Monetary constrains and alternatives.
Week 9  Economic growth in Spain and Europe. Fragmented markets versus integrated ones. Effects of integration on efficiency.  
**Activity 5: Group activity on the Euro**

Week 10  Spanish labor market: unemployment in Spain and by communities, Mobility of labor in Spain and Europe. Supply and Demand of Labor.  
**Due: extra credit activity**


**Short individual presentations**

Week 13  European policies: common fiscal policy, Banking Union, Other proposals to cope with crisis.  
**Short individual presentations**  
**Activity 6: The Euro and the Optimal Currency Areas**

Week 14  The Spanish way on public sector economics: Comparison between southern European and other European models. Pension system and its crisis (world trend and specific issues), European public reform.  
**Short individual presentations**  
**Final-Exam**

### Readings

Compulsory readings are available in Canvas. The following are references to those books and resources.


Baldwin and Wyplosz “The Economics of European Integration”, Chapter 7.


### Bibliography (to know more)

Other resources

In the first session and the final project checkpoints we will discuss how can you use these resources.

Journals, newspapers and related
http://www.economist.com/topics/spanish-economy
http://www.ft.com/intl/topics/places/Spain
http://topics.nytimes.com/top/news/international/countriesandterritories/spain/

Databases and statistics
(Eurostat: European Statistics Agency)
http://epp.eurostat.ec.europa.eu/portal/page/portal/eurostat/home/