

**COURSE DATA****DATA SUBJECT**

Code: 36114
Name: Economy of the European Union
Cycle: Undergraduate Studies
ECTS Credits: 6
Academic year: 2026-27

STUDY (S)

Degree	Center	Acad. year	Period
1316 - Degree in Economics	Facultat d'Economia	2	Second quarter

SUBJECT-MATTER

Degree	Subject-matter	Character
1316 - Degree in Economics	Spanish and international economy	COMPULSORY

COORDINATION

CALATAYUD GALIANA CAROLINA

SUMMARY

Economics of the European Union is a compulsory semester subject taught in the second year of the Degree in Economics. It analyses the process of economic integration that Europe has been undergoing since the second half of the last century and which has accelerated in recent decades in its two aspects: enlargement of the number of countries and deepening of the degree of legal, commercial and financial commitment. This process has been so intense that it has even led to the constitution of a monetary union by some of the countries that currently make up the European Union. Spain has been a member of the European Union since 1986 and has shared the single currency (the euro) with 19 other member countries since 1999. The objective of this subject is to understand the economic logic of these events, as well as the internal functioning of the European Union from a budgetary and institutional point of view, everything related to common economic policies and macroeconomic stability.

The course prepares future professionals by helping them to better understand the functioning of the geopolitical environment in which they are likely to work. It is also an ideal means of applying to the analysis of specific economies a whole set of basic concepts of economic analysis that are studied in other courses of the Degree in Economics.

PREVIOUS KNOWLEDGE**RELATIONSHIP TO OTHER SUBJECTS OF THE SAME DEGREE**



There are no specified enrollment restrictions with other subjects of the curriculum.

OTHER REQUIREMENTS

COMPETENCES / LEARNING OUTCOMES

1316 - Degree in Economics

Apply the principles of economic analysis (rational decision) to the diagnosis and resolution of problems.

Be able to collect and analyse information.

Be able to learn autonomously.

Be able to prepare and defend an economic report.

Be able to use English in a professional environment.

Be able to use ICTs.

Be able to work in a team (including interdisciplinary teams).

Have decision-making skills and be able to apply knowledge to practice.

Have oral and written communication skills in the native language.

Know and understand the determinants of the long-term sustainable growth of an economy.

Know and understand the different instrumental, sectorial and structural economic policies, as well as their formulation process.

Know and understand the nature of international trade and of the financial framework in which it takes place.

Know the Spanish, European and international economic environment, the productive sectors and the functioning of institutions.

Show critical thinking skills.

Understand and apply the scientific method, which involves formulating hypotheses, deducing verifiable results and contrasting them with empirical and experimental evidence.

Understand the functioning of the economy at the aggregate level and the effect of different economic policies.

Understand the mechanisms that explain the distribution of economic activity in space and regional and urban development processes.

Understand the possible causes of economic cycles and the effects of stabilisation policies.



DESCRIPTION OF CONTENTS

1. INTRODUCTION: THE PROCESS OF EUROPEAN ECONOMIC INTEGRATION

- Causes and history of the process: main stages in the widening and deepening of the integration process.
- The European Union in figures.
- The EU and the rest of the world: trade policy and development cooperation.

2. ANALYSIS OF ECONOMIC INTEGRATION. EFFECTS OF CUSTOM UNIONS

- Multilateral and regional trade liberalisation.
- Concept and types of economic integration.
- Static effects of trade integration.
- Dynamic effects of economic integration.

3. INSTITUTIONS AND PUBLIC FINANCES OF THE EUROPEAN UNION

- The Community legal system.
- The European institutions and their competences.
- EU decision-making rules.
- The public finances of the European Union. The Community budget.

4. THE CONSTRUCTION OF THE SINGLE MARKET

- The Internal Market programme. The four basic freedoms.
- The single market for goods. Physical and technical barriers.
- The single market for services. Digital Single Market.
- Taking stock of the integration of the Single Market for goods and services.
- Factor movements: foreign direct investment and labour mobility.

5. ECONOMIC GROWTH AND LABOR MARKET

- Basic concepts for the analysis of economic growth.
- The long-term perspective of European growth.
- Growth, productivity and integration.
- Integration, labour markets and migration.



- The problem of unemployment in Europe. Lines of action to tackle unemployment from a Community perspective.

6. MONETARY UNION

- Costs and benefits of the formation of a monetary union.
- Does the European Union constitute an optimal monetary area?

7. MACROECONOMIC POLICIES IN THE EUROPEAN ECONOMIC AND MONETARY UNION

- The European Central Bank (ECB) and European Monetary Policy. The new scenario after the financial and health crises.
- Fiscal policy in a monetary union. European Fiscal Policy and the Stability and Growth Pact (SGP).
- The fiscal reaction to the Covid19 crisis.

8. COMMUNITY AGRICULTURAL POLICY

- The agricultural problem and the characteristics of European agriculture.
- Initial objectives and instruments of the Common Agricultural Policy (CAP).
- Successes and failures of the CAP.
- The reforms and the new logic of the CAP: decoupling of aid and environmental objectives in the CAP.
- The CAP for the period 2021-2027.

9. THE COMPETITION POLICY

- Basic aspects of Community Industrial Policy
- Competition policy: the control of anti-competitive practices in the private sector.
- Competition policy: the Community's position on State aid to undertakings.

10. EUROPEAN REGIONAL POLICY

- Regional imbalances in the European Union.
- Economic integration and regional imbalances.
- Evolution of European Regional Policy: principles, objectives and instruments.
- European Regional Policy for the period 2021-2027.

**WORKLOAD****PRESENCIAL ACTIVITIES**

Activity	Hours
Theory	30,00
Classroom practices	30,00
Total hours	60,00

NON PRESENCIAL ACTIVITIES

Activity	Hours
Attendance at other activities	0,00
Individual or group project	26,00
Independent study and work	34,00
Preparation of lessons	10,00
Preparation for assessment activities	10,00
Resolution of case studies	10,00
Total hours	90,00

TEACHING METHODOLOGY

The teaching methodology is based on a combination of class work and non-contact activities. The practical part of the Course is structured around two main instruments: the active participation in practical classes and student's personal work by solving practical exercises assigned. The student is encouraged to search for data sources and working documents via the Internet and to the use of library resources of the Social Sciences Library and European Documentation Centre at the University of Valencia.

EVALUATION

The subject will be assessed on the basis of the following procedure:

1. A written exam, which will consist of both theoretical questions, and/or multiple-choice questions, as well as problems.
2. Continuous assessment of the student, based on his/her participation and involvement in the teaching-learning process, both in theory and practical classes.

The procedure corresponding to point 1 will be weighted 70% in the final grade of the course. The remaining 30% will correspond to the evaluation described in point 2.

In order for both elements of the course to be weighted, it will be necessary to obtain at least a mark of 4 (out of 10) in the written exam. Students who do not pass the written exam will receive the exam mark as the final mark. These criteria will be maintained in the two examination periods of the course.



The continuous assessment mark (30%), by its very nature, is not recoverable.

REFERENCES

Basic

- Baldwin, R, and Wyplosz, Ch. (2015); The Economics of European Integration (5th Edition). Mc Graw-Hill.
- Camarero, M., Tamarit, C. (Coordinadores) (2019): Economía de la Unión Europea, 8ª Edición, Thomson-Cívitas. (es el texto básico de la asignatura).

Additional

- De Grauwe, P. (1994). Teoría de la integración monetaria, Celeste Ediciones.
- De Grauwe, P. (2016). Economics of Monetary Union. 11th Edition. Oxford University Press.