

**COURSE DATA****DATA SUBJECT****Code:** 36489**Name:** Real and financial economic integration**Cycle:** Undergraduate Studies**ECTS Credits:** 6**Academic year:** 2026-27**STUDY (S)**

Degree	Center	Acad. year	Period
1316 - Degree in Economics	Facultat d'Economia	4	Second quarter

SUBJECT-MATTER

Degree	Subject-matter	Character
1316 - Degree in Economics	Economía Internacional y Territorio	ELECTIVES

COORDINATION

LLORCA VIVERO RAFAEL ARTURO

SUMMARY

Real and Finance Economic Integration is an optional semester course taught in the fourth year of the Degree in Economics and Finance. It aims to describe and quantify aspects of economic integration such as preferential liberalization, customs, monetary unions and migration.

The subject is divided into two parts: the microeconomics of real economic integration and the macroeconomics of real economic integration. The aim is to understand the key aspects of economic integration.

Part One: The microeconomics of economic integration

The course begins by introducing basic supply and demand analysis in an open economy and the key economic concepts. It then studies the simple economics of tariff protection.

An in-depth analysis of preferential trade liberalization is given in the second unit. The focus is on how the form of trade liberalization affects governments inside and outside the integrating nations.



Unit 3 presents a thorough study of how the market-expanding aspects of integration affect the efficiency of firms. Scale economies and imperfect competition can produce fewer, bigger and more efficient firms facing more effective competition.

Unit 4 gives a detailed study of the growth effects of economic integration. The emphasis is on the economic logic. Neoclassical and endogenous growth theories are covered to the extent that they help students understand the growth process.

Unit 5 deals with the labour markets. It recalls the basics of labour economics in order to explain unemployment and its effects in terms of jobs, wages and growth. The unit uses these insights to study the effects of integration. It does so by trying hard to stay above the fray by presenting economic analysis as one logic, but not the only one.

Part II: Basic principles behind macroeconomic and monetary integration

The essential principles needed for the macroeconomic analysis are presented in Unit 6. This unit presents the main models. It is organized around the Mundell–Fleming model and establishes three principles: interest rate parity, purchasing power parity and exchange rate regimes.

Unit 7 presents the optimum currency area theory, the framework needed to think about the working of a monetary union. The theory is essential to understanding what works and does not work in the Eurozone.

Unit 8 deals with the financial markets. It provides an analysis of financial markets in general. It then explains the Maastricht European Act 1992 and by the adoption of a single currency and how it has been fragmented by the crisis. The effects are evaluated, including the creation of the Banking Union.

PREVIOUS KNOWLEDGE

RELATIONSHIP TO OTHER SUBJECTS OF THE SAME DEGREE

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

OTHER REQUIREMENTS

The student must keep in mind what has been learned in the subjects of the International Economics and Economy of the European Union.

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 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. Globalization

2. Multilateralism and Regionalism



3. Custom Unions Theory

4. Single Market Theory

5. Integration and Growth

6. Financial and Monetary Integration

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	30,00
Independent study and work	15,00
Preparation of lessons	30,00
Preparation for assessment activities	15,00
Resolution of case studies	0,00
Total hours	90,00

TEACHING METHODOLOGY

The teaching methodology will be based on a combination of on- and off- campus activities. The theoretical class will be devoted to the presentation by the teaching staff of the most important concepts and contents of each subject in order that the students acquire the knowledge related to the subject, promoting participation.

The practical part of the subject is structured around two main instruments: active participation in the classroom (virtual and face-to-face) and group work with class exposition.



EVALUATION

In the evaluation of the subject:

- o 70% of the grade corresponds to the final exam.
- o 30% to continuous assessment. This will consist of a group presentation of a scientific article and the completion of exercises.

REFERENCES

- Baldwin, Richard E.; Wyplosz, Charles (2022): The Economics of European Integration. Maidenhead: McGraw-Hill, Seventh edition.
- Krugman, Paul R., Obstfeld, M; Melitz, M. J. (2022): International Economics: Theory and Policy, Harlow: Pearson, Twelfth edition, global edition.
- Camarero, M., Tamarit, C. (Coordinadores) (2023): Economía de la Unión Europea, 9ª Edición, CIVITAS.