

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

**Code:** 36803  
**Name:** Economy of the European Union  
**Cycle:** Undergraduate Studies  
**ECTS Credits:** 6  
**Academic year:** 2026-27

**STUDY (S)**

Degree	Center	Acad. year	Period
1933 - Double Degree in Law and Economics_2022	Facultat d'Economia	4	Second quarter

**SUBJECT-MATTER**

Degree	Subject-matter	Character
1933 - Double Degree in Law and Economics_2022	Asignaturas de cuarto curso	COMPULSORY

**COORDINATION**

CALATAYUD GALIANA CAROLINA

**SUMMARY**

Economics of the European Union is a compulsory subject in the fourth year of the Degree in *Law and Economics*. In this Course, the European economic integration process is examined. The historic process of economic integration has accelerated on two fronts since the second half of last century: by increasing the number of countries and by deepening in matters such as institutions, trade and finance. This process has been so intense that it has led to the establishment of a monetary union by some member countries.

Since 1986, Spain is a member of the European Union and since 1999 shares the single currency (the euro) with 19 other member countries. Understanding the economic logic of these events and the inner workings of the European Union from the standpoint of fiscal and institutional matters and in relation to common economic policies is the goal of this Course

**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

## DESCRIPTION OF CONTENTS

### 1. European Economic Integration

- Introduction: What is the European Union?
- The European Union in figures.
- History of European integration
- Key dates

### 2. Facts, Law, Institutions and Budget

- Facts
- EU law
- EU institutions
- Legislative processes
- Decision making
- The EU budget

### 3. Economic Integration. The European Single Market

#### Part I. Theory of Economic Integration

- Economic integration: concept and forms
- Multilateral and regional trade liberalization. The World Trade Organization and Regional trade agreements
- The Theory of Customs Unions: short-, medium- and long-run effects

#### Part II. The European Single Market

- Eurosclerosis and the Single Market Programme
- The basic 4 freedoms of the Single Market
- The costs of Non-tariff barriers to European integration
- Procedure to eliminate non-tariff barriers
- Effects of implanting the Single Market
- Single Market and European Banking Union

- Introduction. The logic of economic growth
- European Economic Growth: some evidence
- Growth effects of economic integration



## **4. Economic Growth and the Labour Market**

- Introduction. The logic of economic growth
- European Economic Growth: some evidence- Economic integration, labour markets and migration

## **5. The Monetary Union**

- A review of essential macroeconomic tools: the interest rate parity; Real Exchange Rate; and the impossible Trinity
- A brief history of monetary integration
- Benefits and costs of a currency area
- Optimum currency area (OCA) criteria
- Is Europe an Optimum Currency Area?

## **6. Macroeconomic Policies in the European Economic and Monetary Union**

- Economic Policy in the Economic and Monetary Union (EMU)
- Exchange rate policy
- Monetary policy
- Fiscal Policy and the Stability and Growth Pact (SGP)
- Fiscal Policy beyond the SGP
- The European reaction to the debt and banking crisis
- Sustainability of public debt

## **7. The Common Agricultural Policy**

- Introduction
- The old simple logic: Price supports
- Changed circumstances and CAP problems: The supply problem
- The new economic logic of the CAP and its reforms
- New challenges

## **8. The Competition Policy**

- Introduction. Basic features of EU competition policy
- Anti-competitive behaviour (restriction on competition)
- Abuse of dominant position
- Mergers and Takeovers
- State aid

- Introduction: some facts on regional inequality



## 9. The Regional Policy

- Introduction: some facts on regional inequality- The question: the effect of economic integration on regional inequality
- The question explained. The new economic geography: agglomeration and location
- EU regional policy. Is regional policy worth it?

### WORKLOAD

#### PRESENCIAL ACTIVITIES

Activity	Hours
Theoretical and practical classes	60,00
<b>Total hours</b>	<b>60,00</b>

#### NON PRESENCIAL ACTIVITIES

Activity	Hours
Attendance at other activities	0,00
Individual or group project	0,00
Independent study and work	30,00
Preparation of lessons	60,00
Preparation for assessment activities	0,00
Resolution of case studies	0,00
<b>Total hours</b>	<b>90,00</b>

### TEACHING METHODOLOGY

Every week there will be a theory session and a practical session, each lasting two hours. In the theory sessions, the lecturer will mainly explain the main contents of the subject. Attendance and active participation in class are recommended given the contents of the subject

The practical sessions are articulated around two main instruments: active participation in the practical classes in team and the student's personal work through the resolution of the practical exercises assigned to him/her. In addition, students will be oriented towards the search for statistical sources and working documents through the INTERNET and towards the use of the bibliographic resources of the Social Sciences Library and the European Documentation Centre of the University of Valencia.

n>

### EVALUATION

The subject will be assessed through the following procedure:

- 1 .- A written exam consisting of questions both theoretical and problem-solving, and/or test questions.



2.- The continuous evaluation of the student, based on his participation and involvement in the teaching learning process, both in theoretical lectures and practical classes.

Point 1 is weighted 70% in the final course grade. The remaining 30% will correspond to the evaluation described in point 2.

To be able to calculate the weighted average of the two components of the course, students must obtain a minimum grade of 5 (out of 10) in the written exam. Students who do not pass the written exam will receive the exam grade as their final grade. These criteria will apply to both examination periods of the course

Due to its own nature, there will be no resit for the continuous evaluation that accounts for 30% of the final grade.

## REFERENCES

- Baldwin, R. and Wyplosz, Ch. (20203). The Economics of European Integration (7th Edition). McGraw-Hill
- De Grauwe, Paul (2020) Economics of monetary union. Oxford University Press, Oxford, UK. - Camarero, M., Tamarit, C. (2023). Economía de la Unión Europea (9ª edición) Thomson- Civitas, Madrid.