

Last updated: October 12th, 2007

**THE ECONOMIC EFFECTS OF SPAIN'S EU MEMBERSHIP
EC341**

DESCRIPTION:

As member of the European Union, the Spanish economy has changed dramatically. Once economically isolated within the Iberian Peninsula, Spain has evolved from a backward economy to a dynamic European leader. We will consider how EU membership has influenced economic development, investment, labour relations, and entrepreneurship in the country. Political, social, and business aspects will also be studied. Special reference will be made to the impact of economic and monetary union (EMU) on the economy. (3 credits)

PREREQUISITE:

To have a previous knowledge of basic economics is highly recommended.

**THIS COURSE IS INCOMPATIBLE WITH EC/IB441 SPAIN'S ECONOMIC DEVELOPMENT AND
THE EUROPEAN UNION**

LANGUAGE OF PRESENTATION:

English

PROFESSOR:

M. PRAT, PHD

STUDENT OUTCOMES:

By the end of the course, students should be able to:

- recognize the several phases of the Spanish long-term process of economic convergence with Europe;
- analyze the creation of Europe's post-war international institutional architecture;
- criticize the structure and functioning of the European Union by studying the most important theories with regard to European integration, the EU institutions and decision-making procedures and the involvement of national governments in the EU's policy process;
- identify the economic effects of EU membership in Spain;
- analyze the main problems of the Spanish economy in the last decades;
- describe the main EU policies (competition, CAP, foreign and security policies).

LEARNING MEANS:

- **Lectures:** overview of the course content, main historical facts, main theoretical interpretations.
- **Reader:** selection of the key readings to be done before each lecture.
- **Paper writing:** critical paper on specific topic (8-10 pages).
- **Student presentation:** paper presentation in class.
- **Debate:** discussion in class on controversial EU issues.
- **Field-study:** visit to SEAT car factory in Martorell.
- **Guest speaker:** Patronat Català Pro-Europa member.
- **Film viewing:** Billy Wilder's "One, two, three" for understanding Cold War period in Europe and Wolfgang Becker's "Good bye, Lenin" for the Communist regimes falling down.

METHOD OF ASSESSMENT:

- **Research paper and its presentation (8-10 pages) (30%):** To be written in teams composed by two students, and submitted on the day of the respective presentation (20 minutes). The topic of the paper should be agreed with instructor during the first two weeks of the course. All information should be scrupulously cited.
- **Midterm exam (30%):** 2-3 open questions essay. It will include the topics covered from session 1 to 13.
- **Final exam (30 %):** 2-3 open questions essay. It will include the topics covered from session 14 to 24.
- **Class participation (10%):** active attitude in class during the course (asking and answering questions, giving opinions).

IES Barcelona – Syllabus

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COURSE CONTENT

SESSION 1	Jan. 21, 2008	Class content: Overview of the course
SESSION 2	Jan. 23, 2008	Class content: The Spanish economic development from a comparative perspective: a long term approach (1850-2000). Required readings: Prados de la Escosura, Leandro and Sanz, Jorge C. (1996), "Growth and Macroeconomic Performance in Spain, 1939-93", in Crafts, Nicholas and Toniolo, Gianni (eds.), <u>Economic Growth in Europe since 1945</u> , Cambridge, Cambridge University Press, pp. 355-361.
SESSION 3	Jan. 28, 2008	Class content: The Spanish Civil War: the end of economic convergence. Required readings: Prados de la Escosura, Leandro and Sanz, Jorge C. (1996), "Growth and Macroeconomic Performance in Spain, 1939-93", in Crafts, Nicholas and Toniolo, Gianni (eds.), <u>Economic Growth in Europe since 1945</u> , Cambridge, Cambridge University Press, pp. 361-362.
SESSION 4	Jan. 30, 2008	Class content: The early stages of the process of European integration Required readings: Sutcliffe, Anthony (1996), <u>An Economic and Social History of Western Europe since 1945</u> , London, Longman, pp. 103-118.
SESSION 5	Feb. 4, 2008	Class content: Film viewing. "One two,three" by Billy Wilder.
SESSION 6	Feb. 6, 2008	Class content: The autarkic period of Spanish economy, 1939-1959 Required readings: Harrison, Joseph (1985), <u>The Spanish Economy in the Twentieth Century</u> , New York, St Martin's Press, pp. 120-140.
SESSION 7	Feb. 11, 2008	Class content: Institutions and economic development of the EU until the Spanish accession, 1957-1986 Required readings: McCormick, John (2002), <u>Understanding the European Union</u> , New York, Palgrave, pp. 68-76.
SESSION 8	Feb. 13, 2008	Class content: Spain during the "development years", 1959-1974. Readings: Harrison, Joseph (1985), <u>The Spanish Economy in the Twentieth Century</u> , New York, St Martin's Press, pp. 144-163.
SESSION 9	Feb. 18, 2008	Class content: Political transition and economic crisis in Spain, 1973-1985. Required readings: Harrison, Joseph. "Political Transition and EconomicCrisis," Chapter 8 in <u>The Spanish Economy in the Twentieth Century</u> , Croom Helm. Pp. 168-186.
SESSION 10	Feb. 20, 2008	Class content: Presentations of research papers. Potential topics: comparisons between the Spanish and the core European economies at different points of time (1957, 1973, 1985).
SESSION 11	Feb. 25, 2008	Class content: The integration agreement: EU common policies and the change of the Spanish institutions. Required readings: Tovas, Alfred (1995), "Spain in the European Community", in Gillespie, Richard; Rodrigo, Fernando and Story, Jonathan (eds.), <u>Democratic Spain, Reshaping External Relations in a Changing World</u> , London, Routledge, pp. 88-105.
SESSION 12	Feb. 27, 2008	Class content: The general impact of entering the EU (I). Required readings: Martín, Carmela. "Growth and Structural Changes," Chapter 1 in <u>The Spanish economy in the new Europe</u> . MacMillan. 2000. Pp. 9-22.

SESSION 13	Mar. 3, 2008	Class content: Presentations of research papers. Potential topics: comparisons between the Spanish and other integration processes.
SESSION 14	Mar. 5, 2008	Class content: Main changes in the EU between 1992 and 2006. Required readings: McCormick, John (2002), <u>Understanding the European Union</u> , New York, Palgrave, pp. 76-82.
SESSION 15	Mar. 10, 2008	Class content: Midterm Exam
SESSION 16	Mar. 12, 2008	Class content: The Spanish economy since 1992. Determinants of productivity growth. Required readings: Martín, Carmela. <u>The Spanish Economy in the New Europe</u> . St. Martin's Press, 2000. Chapter 2, pp 23 – 38.
SPRING BREAK		
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SESSION 17	Mar. 24, 2008	BANK HOLIDAY: NO CLASS
SESSION 18	Mar. 26, 2008	Class content: Field study. Talk with a Patronat Català Pro-Europa member.
SESSION 19	Mar. 31, 2008	Class content: Presentations of research papers. Potential topics: unemployment, inflation, budget deficit and external deficit in contemporary Spain.
SESSION 20	Apr. 2, 2008	Class content: The fiscal balance: common agricultural policy and cohesion funds. Required readings: Martín, Carmela (2000), <u>The Spanish Economy in the New Europe</u> , London, MacMillan, pp. 206-223.
SESSION 21	Apr. 7, 2008	Class content: Film viewing. "Good bye, Lenin" by Wolfgang Becker.
SESSION 22	Apr. 9, 2008	Class content: Monetary aspects: from the SME to the Euro (I). Required readings: Conthe, Manuel (1997), "Spain and the Euro", in Muns, Joaquim (ed.), <u>Spain and the Euro: Risks and Opportunities</u> , Barcelona, LaCaixa, pp. 83-115.
SESSION 23	Apr. 14, 2008	Class content: Presentations of research papers. Potential topics: the EU policies (CAP, Competence, Foreign Policy).
SESSION 24	Apr. 16, 2008	Class content: The current EU institutional crisis, the enlargement and Spain. Required readings: Wiarda, Howard J. <u>Spain 2007: A Normal Country?</u> Center for Strategic and International Studies. 1999. Pp. 34-37.
FINAL EXAM	Apr. 23, 2008	FINAL EXAM

LIST OF SELF-GUIDED VISITS, FIELD STUDIES, CLASSES ON-SITE, GUEST SPEAKERS OR FILM VIEWINGS

SESSION	DATE	ACTIVITY	DESCRIPTION
Extra session	(Friday) Feb. 22, 2008	Day trip	Visit to SEAT Factory
6	Feb. 6, 2008	Film viewing	"One, two, three"
18	Mar. 26, 2008	Guest lecture	Patronat Català Pro-Europa
21	Apr. 7, 2008	Film viewing	"Good by, Lenin"

REQUIRED READINGS

Conthe, Manuel (1997), "Spain and the Euro", in Muns, Joaquim (ed.), Spain and the Euro: Risks and Opportunities, Barcelona, LaCaixa, pp. 83-115.

Harrison, Joseph (1985), The Spanish Economy in the Twentieth Century, New York, St Martin's Press, pp.120-163.

Martín, Carmela, The Spanish economy in the new Europe. MacMillan. 2000. pp. 9- 38, 206-210 and 213-223.

McCormick, John (2002), Understanding the European Union, New York, Palgrave, pp. 68-76 and 76-82.

Prados de la Escosura, Leandro and Sanz, Jorge C. (1996), "Growth and Macroeconomic Performance in Spain, 1939-93", in Crafts, Nicholas and Toniolo, Gianni (eds.), Economic Growth in Europe since 1945, Cambridge, Cambridge University Press, pp. 355-361.

Sutcliffe, Anthony (1996), An Economic and Social History of Western Europe since 1945, London, Longman, pp. 103-118.

The Economist: "Floating with an anchor" (27 January 2000)

Tovias, Alfred (1995), "Spain in the European Community", in Gillespie, Richard; Rodrigo, Fernando and Story, Jonathan (eds.), Democratic Spain, Reshaping External Relations in a Changing World, London, Routledge, pp. 88-105.

Wiarda, Howard J. Spain 2007: A Normal Country? Center for Strategic and International Studies. 1999. Pp. 34-37.

RECOMMENDED READINGS

Crespo MacLennan, Julio (2000), Spain and the Process of European Integration, 1957-82, New York, Palgrave, pp. 150-179.

Farrell, Mary (2001), Spain in the EU. The Road to Economic Convergence, New York, Palgrave, pp. 1-6, 28-45 and 79-87.

Guirao, Fernando (1998), Spain and the Reconstruction of Western Europe, 1945-57, London, MacMillan, pp. 189-206.

Henig, Stanley (1997), The Uniting of Europe. From Discord to Concord, London, Routledge.

Morewood, Steven (1999), "Europe at the Crossroads 1974-2000", in Aldcroft, Derek H. and Sutcliffe, Anthony (eds.), Europe in the International Economy 1500 to 2000, Cheltenham, Edward Elgar.

OECD Economic Surveys: Spain 2003, pp. 21-47.

- Penketh, Keith (1999), "The Budget of the European Union", in McDonald, Frank and Dearden, Stephen (eds.), European Economic Integration, New York, Longman, pp. 117-127.
- Prados de la Escosura, Leandro and Sanz, Jorge C. (1996), "Growth and Macroeconomic Performance in Spain, 1939-93", in Crafts, Nicholas and Toniolo, Gianni (eds.), Economic Growth in Europe since 1945, Cambridge, Cambridge University Press, pp. 361-375.
- Preston, Christopher (1997), Enlargement and Integration in the European Union, London, Routledge, pp. 67-86.
- Salmon, Keith (2001), "The Spanish Economy: from the Single Market to EMU", in Gillespie, Richard and Youngs, Richard (eds.), Spain: the European and International Challenges, London, Frank Cass, pp. 17-27 and 34-39.
- Tortella, Gabriel (1994), "Patterns of Economic Retardation and Recovery in South-Western Europe in the Nineteenth and Twentieth Centuries", *Economic History Review*, 47, 1, pp. 1-21.