



CIEE Barcelona, Spain

Course title:	The Spanish Economy in the European Union
Course code:	ECON 3006 BASP
Programs offering course:	Business and Culture, Economics and Culture, Language and Culture
Language of instruction:	English
U.S. semester credits:	3.00
Contact hours:	45.00
Term:	Fall 2023

Course Description

This course will explore the main determinants of Spanish economic growth and convergence since the 1980s, placing a 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 and some institutional structures 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

By completing this course, students will:

- Evaluate a given economy and assess it in the international context.
- Discriminate the relevance of the main magnitudes of a given economy and in particular those referred to Spain.
- Value the problems that European economies (and Spain in particular) have faced in recent stages of development and evaluate the different solutions that scholars and policymakers have proposed.
- Discriminate the advantages and disadvantages that the accession to the European Union and the adoption of the Euro had for the Spanish Economy (and other countries).

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.	Midterm	20%
2.	Final Exam	20%
3.	Exercises & Activities	15%
4.	Final Project (Paper & Presentation)	25%
5.	Class Participation	20%
	TOTAL	100%

Course Requirements

Midterm

Final Exam

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 & 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 & 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.

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.

Attendance

To encourage engaged learning, regular class attendance is required throughout the program. This includes any required co-curricular class excursion or event, as well as internship, service-learning, or other required field placement.

An excused absence in a CIEE course will only be considered if approved by a CIEE Center Director/Academic Director (not the Instructor), and:

- it is a self-certified absence for illness (only once per course, requires formal request before or within 24 hours, cannot miss assessment worth more than 5% of final course grade)
- a doctor's note from a local medical professional is provided
- evidence of a family emergency is provided
- it is a pre-approved observance of religious holiday

Unexcused absences include personal travel and/or travel delays, as well as missing more than 25% of a single class period (including tardiness and early departure). Assessments missed due to unexcused absences will be marked as zero. Students with over 10% unexcused absences will be contacted by CIEE staff. Students with over 20% unexcused absences will be contacted by CIEE staff, receive a formal warning letter (shared with their home institution) and lose 10% of the final course point total (e.g., a final A grade of 93% will be lowered to a B grade of 83%).

For more detail, please consult your CIEE Academic Manual.

Academic Integrity

Academic integrity is essential to a positive and inclusive teaching and learning environment. All students are expected to complete coursework responsibilities with fairness, respect, and honesty. Failure to do so by seeking unfair advantage over others or misrepresenting someone else's work as your own can result in grade penalties or disciplinary action. See the CIEE Student Academic Manual for further information on academic integrity.

N.B. Course schedule and co-curriculars are subject to change. The final duration and distribution of content and assignments will be determined and presented to students at the onset of the course.

Weekly Schedule

Week 1

Class: 1.1 Introduction

Introductions to class

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

Class: 1.2 .

Introduction to Spanish Economy

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?)

Readings: "A dictionary of Spanish History and Culture", pp 1-3

Activity 1: Autarky

Week 2

Class: 2.1 Economic History of Spain

"Spain is different", brief history of Spain and how certain history facts conditioned the economic development of Spain.

Reading: Preston (1986: Chapter 10).

Due: Submission of activity 1 "Autarky"

Class: 2.2 .

Synchronizing with Europe: Democracy and joining the European club.

Activity 2: Documentary, After God Muñoz.

Due: final paper topic

Week 3

Class: 3.1 European Integration

European Integration: From the post WWII to the European Union.

Class: 3.2 .

Different theories used to explain the EU: Institutionalism, Market integration, Custom Union, etc.

Activity 3: Illiteracy and Capitalism

Readings: Weber (2001: 3-13).

Week 4

Class: 4.1 Economics of European Integration

The Economics of European Integration: Comparison with other models (multilateral trade liberalization).

Readings: Molle (2006: 9-36).

Class: 4.2 .

Demand and supply of import and export. Barriers to trade.

Week 5

Class: 5.1 Reforms in Spanish Economy

"The good fellow": from the entry to the EU to the setting of the Maastricht treaty (monetary union).

Class: 5.2 .

5.2 Social reforms needed to apply for the EU.

Readings: Tsebelis (2001)

Activity 4: Supranationalism and Intergovernmentalism

Week 6

Class: 6.1 Believes Before the Euro

Spanish crisis before the Euro.

Class: 6.2 .

What it was said before the creation of the Euro: Reasons of supporters and those against.

Reading: Jimeno (2009: 41-62).

Week 7

Class: 7.1 Review and Final Paper Structure

Short review and Presentation of the second part of the course.

Class: 7.2 .

Mid-Term

Due: Final paper general structure

Week 8

Class: 8.1 Case Study, Crisis in Spain and Europe

2008-2013 Crisis in Spain and Europe. Multinational causes and local actions.

Class: 8.2 .

Consequences and proposed solutions: Monetary constrains and alternatives.

Week 9

Class: 9.1 Integration Fosters Growth Hypothesis

Economic growth in Spain and Europe. Fragmented markets versus integrated ones.

Reading: Baldwin and Wyplosz (2009: Chapter 7)

Class: 9.2 .

Effects of integration on efficiency. Economies of scale. Defragmentation of markets.

Material: Documentary, The Great Euro Crisis

Activity 5: Group activity on the Euro

Week 10

Class: 10.1 Spanish Labor Markets

Spanish labor market: unemployment in Spain and by communities.

Class: 10.2 .

Mobility of labor in Spain and Europe. Supply and Demand of Labor.

Week 11

Class: 11.1 Income Distribution

Income distribution: Personal, functional and industrial distribution of income. The space perspective on income distribution.

Class: 11.2 .

Regional inequalities. Good and bad of Tourism specialization in the Spanish Economy.

Week 12

Class: 12.1 Reforms on the European Economy

European policies: common fiscal policy, Banking Union, Other proposals to cope with crisis.

Readings: Barbieri, Pierpaolo and Vallée (2017) and Giugliano (2017).

Class: 12.2 .

Short individual presentations

Reading: Baldwin and Wyplosz (2009: Chapter 15) or Krugman, Paul et al (2015: Chapter 20).

Activity 6: The Euro and the Optimal Currency Areas

Week 13

Class: 13.1 Public Sector Economics

The Spanish way on public sector economics: Comparison between southern European and other

Session European models. Pension system and its crisis (world trend and specific issues), European public reform. Short individual presentations

Class: 13.2 Final Exam

Course Materials

Readings

"A dictionary of Spanish History and Culture" on Iberian Nature: A guide to the environment, climate, wildlife, geography and nature of Spain, Electronic resource.

Baldwin and Wyplosz, (2009) The Economics of European Integration, McGraw-Hill Higher Education.

Barbieri, Pierpaolo and Vallée, Shahin, (2017) A fiscal union for the Eurozone, Foreign Affairs.

Giugliano, Ferdinando, (2017) For Europe, There are no Shortcuts to Fiscal Union, Bloomberg.

Krugman, Paul et al., (2015) International Economics, 10th edition, Pearson.

Jimeno, Juan, (2009) Spain and the Euro: the first ten years, Banco de España.

Molle, Willem, (2006) The Economics of European Integration. Aldershot: Ashgate Publisher Limited.

Oliver i Olivella, Roser, (2014) After God Muñoz, documentary, CCMA of Catalonia.

Portillo, M, (2012) "The Great Euro Crisis", BBC documentary.

Preston, Paul, (2016) "Franco's Peace" in The Spanish Civil War: Reaction, Revolution and Revenge, William Collins.

Tsebelis, G., & Garrett, G. (2001) The Institutional Foundations of Supranationalism in The European

Union. International Organization.

Weber, Max, (2001) *The protestant Ethics and the Spirit of Capitalism*, Routledge Classics.

Bibliography

(1998: 38-65). "The Study of The European Union II: the 'New Governance Agenda' and its Rival." *Journal of European Public Policy* 5.1.

Bank of Spain. (2009) "Spain and the Euro: The first ten years." *EMU: the first ten years*. Madrid: Bank of Spain.

Esping-Andersen, Gosta. (1989: 10-36). *The Three Political Economies of the Welfare State*. *Canadian Review of Sociology*

Gruber, Jonathan (2011). *Public finance and public policy*. New York: Worth Publishers.

Hix, Simon (1994: 1-30). *The Study of the European Community: The Challenge to Comparative Politics*. *West European Politics* 17.1

Molle, Willem (2006). *The Economics of European Integration*. Aldershot: Ashgate Publisher Limited.

Pollack, Mark (2010). "Theorizing European Union Policy-Making." *Policy Making in the European Union*. Oxford: Oxford University Press.

Reinhart, Carmen M and Keneth S Rogoff (2013). *Financial and Sovereign Debt Crises: Some Lessons Lerner and Those Forgotten*. IMF Working Papers.

Stiglitz, Joseph E. (2000) *Economics of the Public Sector*. New York: W. W. Norton.

Online 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/>

(INE: Spanish Statistics Agency) <http://ine.es/en/welcome.shtml>

(IDESCAT: Catalan Statistics Agency) <http://www.idescat.cat/en/>