



EC/IB 441 SPAIN'S ECONOMIC DEVELOPMENT AND THE EU

IES Abroad Barcelona

DESCRIPTION:

The Spanish economy has undertaken a profound process of modernization during the last decades, and its gradual integration in the EU has been one of the main driving forces of that process. This course is aimed at analyzing the main recent developments of the Spanish economy, its process of growth and convergence with the core European economies and the main structural problems that the Spanish economy has still to face in the future. Special reference will be made to the current economic situation and recent crises (debt crisis, consequences of the pandemic and energetic crisis), the consequences of the European Monetary Union for the peripheral European countries and the debate about the economic policy options to overcome those crises.

CREDITS: 3 credits

CONTACT HOURS: 45 hours

LANGUAGE OF INSTRUCTION: English

PREREQUISITES: Macroeconomics

ADDITIONAL COST: None

METHOD OF PRESENTATION:

- Lectures: presentation of the main course contents, explanation of main historical facts and theoretical interpretations.
- Reader: selection of the key readings to be done before each lecture.
- Paper writing: paper on a specific topic (8 to 10 pages).
- Student presentation: paper presentation in class.
- Debate: discussion in class on different issues.
- Data analysis: Analyze economic data in class and reach some conclusions.

REQUIRED WORK AND FORM OF ASSESSMENT:

- Research paper and presentation - 30%
- Midterm - 30%
- Final Exam - 30%
- Class participation - 10%

Research paper and presentation

Students must write a research paper on a topic related to the course contents. The topic of the paper will be agreed with the course instructor during the first two weeks of classes. The paper should be around 3.000 words and will be submitted electronically, by mail or through Moodle. Students must present their research during class and will receive feedback from their presentation. There will be a class debate on the topic as well. Students are expected to incorporate the feedback received as well as the main conclusions of the discussion in their final version of the paper.

Mid-term exam

The midterm will consist in two short essays, worth the 50% of the final grade each. The midterm will be held in class and students will not have access to class materials during the exam.

Final Exam

The final exam will consist in two short essays, worth the 50% of the final grade each. The final will be held in class and students will not have access to class materials during the exam.

Class participation

Students are expected to participate in class discussions and to answer the questions laid out by the instructor.

The research paper is to be written in pairs and submitted on the day of its 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 quoted. Length: 3000 words.

LEARNING OUTCOMES:

By the end of the course students will be able to:

- recognize the several phases of 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 regarding 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, the causes and consequences of the current economic crisis, and the economic policies in the context of the European Monetary Union;
- examine issues such as the common market, agricultural regimes and optimal currency areas which are particularly relevant for EU recent development.

ATTENDANCE POLICY:

As a member of our class community, you are expected to be present and on time every day. Attending class has an impact on your learning and academic success. For this reason, attendance is required for all IES Barcelona classes, including course-related excursions. If a student misses more than three classes in any course without justification, 3 percentage points will be deducted from the final grade for every additional absence. Seven unjustified absences in any course will result in a failing grade. Absences will only be justified, and assessed work, including exams, tests and presentations rescheduled, in cases of documented medical or family emergencies.

CONTENT:

Session	Content	Readings
Session 1	Introduction: Overview of the course	
Session 2	Spanish Economic development from a European perspective: A long-term approach, 1850-2010	
Session 3	European economy in the 1 st half of the 20 th century: The Gold Standard and the consequences of WWI	• Eichengreen, B (2008), The Gold Standard, in Eichengreen, B. <i>Globalizing Capital</i>, Princeton UP, pp. 6-42.
Session 4	European economy in the 1 st half of the 20 th century: From the Great Depression to Bretton Woods	• Eichengreen, B (2008), The Bretton Woods System, in Eichengreen, B. <i>Globalizing Capital</i>, Princeton UP, pp. 91-133.
Session 5	The modernization of Spanish economy (1900-1936): The Civil War and the Autarky period.	• Carreras, Albert and Tafunell, Xavier (2021), <i>Between Empire and Globalization: An Economic History of Modern Spain</i>, Palgrave Studies in Economic History, Palgrave Macmillan • 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.), <i>Economic Growth in Europe since 1945</i> , Cambridge, Cambridge University Press, pp. 354-369.
Session 6	The Golden Age of European economic development: 1950-1973. The way to the Treaty of Rome	- Damsgaard Hansen, E. (2001), Prolonged Growth 1950-73, in Damsgaard, E., <i>European Economic History</i>, Copenhagen Business School Press, pp. 313-329 - Jones, Robert A. (1997), The origins and development of the European Union, in Jones, R.A., <i>The Politics and Economics of the European Union</i>, Edward Elgar, Cheltenham, pp. 3-31
Session 7	The crisis of the 70's in Europe	Damsgaard Hansen, E. (2001), The Return to Normality 1973, in Damsgaard, E., <i>European Economic History</i>, Copenhagen Business School Press, pp. 431-450.
Session 8	Spain during the development years (1959-1973): The structural problems of the Spanish economy.	- Carreras, Albert and Tafunell, Xavier (2021), <i>Between Empire and Globalization: An Economic History of Modern Spain</i>, Palgrave Studies in Economic History, Palgrave Macmillan - Harrison, J. (1985). <i>The Spanish economy in the twentieth century</i>. Routledge., pp. 144-163.
Session 9	Political transition and economic crisis in Spain, 1973-1985.	Harrison, J. (1985). <i>The Spanish economy in the twentieth century</i>. Routledge. pp. 168-186.
Session 10	Presentations of research papers.	
Session 11	The Spanish integration agreement: Advantages and costs of EU membership	- Tovias, Alfred (1995), Spain in the European Community, in Gillespie, Richard; Rodrigo, Fernando and Story, Jonathan (eds.), <i>Democratic Spain, Reshaping External Relations in a Changing World</i>, London, Routledge, pp. 88-105. - Balmaseda, M. and Sebastián, M. (2003), Spain in the EU: Fifteen years may not be enough, in Royo, S. and Manuel, P.C. (eds.), <i>Spain and Portugal in the European Union. The first fifteen years</i>, Frank Cass, London, pp. 195-230.
Session 12	The EU institutions and policies: The problems of enlargement	Bomberg, E.; Cram, L.; Martin, D. (2003), The Eu Institutions, in Bomberg, E. and Stubb, A. (eds.), <i>The European Union: How does it work?</i> Oxford UP., pp. 45-70
Session 13	Presentations of research papers. Potential topics: comparisons between the Spanish and other integration processes.	

Session 14	The European Monetary System.	Conthe, Manuel (1997), Spain and the Euro, in Muns, Joaquim (ed.), <i>Spain and the Euro: Risks and Opportunities</i>, Barcelona, LaCaixa, pp. 83-115.
Session 15	Mid-term exam	
Session 16	EU's and Spain's economic performance in the 90's and 00's.	
Session 17	The crisis of 2008.	Akerlof, R. and Schiller (2009), The current financial crisis: What is to be done? <i>In Animal Spirits</i>, pp. 86-96
Session 18	The crisis in Europe: The problems of adjustment with a single currency	Krugman, Paul (2011), Can Europe be saved? <i>The New York Times</i>, January 16, 2011. http://www.nytimes.com/2011/01/16/magazine/16Europe-t.html?_r=1&scp=1&sq=can%20europe%20be%20saved&st=cse
Session 19	Presentations of research papers.	
Session 20	The crisis in Europe: Peripheral vs central countries	Norris, F. (2011), Euro Benefits Germany More Than Others in Zone, <i>The New York Times</i>, April 22, 2011. https://www.nytimes.com/2011/04/23/business/global/23charts.html
Session 21	Consequences of the Great Lockdown	Tooze, A. How Coronavirus Almost Brought Down The Global Financial System. <i>The Guardian</i>. 14 Apr 2020, https://www.theguardian.com/business/2020/apr/14/how-coronavirus-almost-brought-down-the-global-financial-system
Session 22	Consequences of the War in Ukraine	Mbah, R. E., & Wasum, D. F. (2022). Russian-Ukraine 2022 War: A review of the economic impact of Russian-Ukraine crisis on the USA, UK, Canada, and Europe. <i>Advances in Social Sciences Research Journal</i>, 9(3), 144-153.
Session 23	Presentations of research papers.	
Session 24	European monetary policy in a framework of rising inflation	Stark, J., Mayer, T and Schnabl, G., „The ECB Existential Dilemma, Project Syndicate, January 19, 2022 https://www.project-syndicate.org/commentary/inflation-creates-existential-dilemma-for-ecb-by-jurgen-stark-et-al-2022-01

- Rajan, R, The End of Free-Lunch Economics, *Project Syndicate*, January 31, 2022 <https://www.project-syndicate.org/commentary/end-of-free-lunch-economics-by-raghuram-rajn-2022-01?barrier=accesspaylog>

FINAL EXAM

REQUIRED READINGS:

- Akerlof, G. A., & Shiller, R. J. (2009). The current financial crisis: What is to be done. *Animal Spirits: How Human Psychology Drives the Economy, and Why It Matters for Global Capitalism*. Princeton University Press, Princeton., pp. 86-96
- Balmaseda, M., & Sebastián, M. (2003). Spain in the EU: Fifteen years may not be enough. *South European Society and Politics*, 8(1-2), 195-230.
- Bomberg, E.; Cram, L.; Martin, D. (2003), The Eu Institutions, in Bomberg, E. and Stubb, A. (eds.), *The European Union: How does it work?* Oxford UP., pp. 45-70.
- Carreras, Albert and Tafunell, Xavier (2021), *Between Empire and Globalization: An Economic History of Modern Spain*, Palgrave Studies in Economic History, Palgrave Macmillan
- Conthe, Manuel (1997), Spain and the Euro, in Muns, Joaquim (ed.), *Spain and the Euro: Risks and Opportunities*, Barcelona, LaCaixa, pp. 83-115.
- Damsgaard Hansen, E. (2001), Prolongued Growth 1950-73, in Damsgaard, E., *European Economic History*, Copenhagen Business School Press, pp. 313-329, 435-450.
- Eichengreen, B (2008), The Gold Standard, in Eichengreen, B. *Globalizing Capital*, Princeton UP, pp. 6-42, 91-133.
- Harrison, J. (1985). *The Spanish economy in the twentieth century*. Routledge., pp. 144-163, 168-186.
- Jones, Robert A. (1997), The origins and development of the European Union, in Jones, R.A., *The Politics and Economics of the European Union*, Edward Elgar, Cheltenham, pp. 3-31.
- Krugman, Paul (2011), Can Europe be saved? *The New York Times*, January 16, 2011. http://www.nytimes.com/2011/01/16/magazine/16Europe-t.html?_r=1&scp=1&sq=can%20europe%20be%20saved&st=cse
- Mbah, R. E., & Wasum, D. F. (2022). Russian-Ukraine 2022 War: A review of the economic impact of Russian-Ukraine crisis on the USA, UK, Canada, and Europe. *Advances in Social Sciences Research Journal*, 9(3), 144-153.
- Norris, F. (2011), Euro Benefits Germany More Than Others in Zone, *The New York Times*, April 22, 2011. <https://www.nytimes.com/2011/04/23/business/global/23charts.html>
- 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. 355-387.
- Rajan, R, The End of Free-Lunch Economics, Project Syndicate, January 31, 2022 <https://www.project-syndicate.org/commentary/end-of-free-lunch-economics-by-raghuram-rajn-2022-01?barrier=accesspaylog>
- Stark, J., Mayer, T and Schnabl, G., The ECB Existential Dilemma, Project Syndicate, January 19, 2022 <https://www.project-syndicate.org/commentary/inflation-creates-existential-dilemma-for-ecb-by-jurgen-stark-et-al-2022-01>
- Tooze, A. How Coronavirus Almost Brought Down the Global Financial System. *The Guardian*. 14 Apr 2020, <https://www.theguardian.com/business/2020/apr/14/how-coronavirus-almost-brought-down-the-global-financial-system>
- 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.

RECOMMENDED READINGS:

- Crespo MacLennan, J. (2000), *Spain and the Process of European Integration*, 1957-82, New York, Palgrave, pp. 150-179.
- Farrell, M. (2001), Spain in the EU. The Road to Economic Convergence, New York, Palgrave, pp. 1-6, 28-45 and 79-87.
- Henig, S. (1997), *The Uniting of Europe. From Discord to Concord*, London, Routledge.
- Morewood, S. (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, K. (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, L. and Sanz, J. 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, C. (1997), *Enlargement and Integration in the European Union*, London, Routledge, pp. 67-86.
- Tortella, G. (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.