

	Subject title: ECONOMICS OF EUROPEAN INTEGRATION			
Subject code:	Subject Status:	Semester:	Credit value:	Teaching load:
	Compulsory	III	6	3L+2T

Study programme: Academic Undergraduate Studies: Financial Management/Marketing
Responsible Staff: Professor Milenko Popović, PhD; Teaching Assistant; Marin Radojević
Pre-requisite: Nil
Mode of study Lectures, tutorials, seminar papers, case studies, consultations
Assessment: Two mid-term tests – 70 points Two seminar papers – 20 points Attendance, student participation – 10 points
Objectives: The course covers the study of the most important theories of European integration. The main objective is to acquire basic knowledge of the European Union and to enable students to analyse the institutions, policies and relations within the EU. A particular importance is given to the field of the European monetary union, common agricultural policy, customs union and the EU developmental policy. In addition, the aim of this course is to acquire knowledge of the development of relations between the EU and Montenegro and to enable students to understand, and independently analyse the future relations between the EU and Montenegro.

SYLLABUS:

- Introduction to the course; History; Essential Microeconomic Tools; The Essential Economics of Preferential Liberalization;
- Market Size and Scale Effects; Facts, Law, Institutions and Budget;
- Growth Effects and Factor Market Integration; Decision Making;
- Economic Integration, Labour Markets and Migration;
- Essential Macroeconomic Tools;
- The Macroeconomics of Monetary Integration;
- Optimum Currency Areas;
- The Common Agricultural Policy; EU Micro Policies;
- Location Effects, Economic Geography and Regional Policy;
- EU Competition and State Aid Policy;
- EU Trade Policy;
- EU Monetary System;
- EU Monetary Union; EU Monetary and Fiscal Policies;
- The European Monetary Union;
- Fiscal Policy and the Stability Pact;
- The Financial Markets and the Euro.

- **READING LIST AND REFERENCES:**

- Baldwin, Richard and Wyplosz, Charles: *The Economics of European Integrations*, 3rd edition, McGraw Hill, 2009
- El-Agraa M. Ali (1997) *Economic Integration Worldwide*, Palgrave Macmillan
- El-Agraa M. Ali (2011) *The European Union, Economics & Policies*, Cambridge University Press; 9th Edition
- De Grauwe, Paul (2012) *Economics of Monetary Union*, Oxford University Press, 9th edition