Winter Term 2016/17
University of Cologne
Faculty of Management, Economics and Social Sciences
Cologne Center for Comparative Politics (CCCP)
Chair of International Comparative Political Economy and Economic Sociology
Seminar: The Political Economy of European Economic and Monetary Policy
ECTS Points: 4 (Seminar Vergleichende Politikwissenschaft) or 6 (Ergänzungsmodul *Seminar* Politikwissenschaft)
Lecturer: Leon Kanthak
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Office hours: TBA
Weekly Sessions: Tuesday, 12:00-13:30, 103 Seminarraum S 58 (103/EG/S 58), Philosophikum

Outline:

The regulation and coordination of economic activity represents an essential element of European policy-making since the beginning of the European integration process. Partly being brought about by previous integrative steps, economic (policy) interdependencies provide for functionalist justifications for further integration and communitarianization. The dynamic institutional development observable in the context of the recent (macro-)economic troubles offers many examples of such processes. At the same time, the development of European economic policies is subject to political decision-making processes and thus follows a political logic. Also, diverse national economic policies, strategies, and institutional settings continue to co-exist. The interdependencies between economies, polities, politics, and policies at different levels (national, international, central) constitute an intriguing field of study for (Comparative) Political Economy (CPE). The seminar aims to explore this field and to introduce students to methods, techniques, and tools of CPE to conduct their own independent research.

Literature:

- Clift, Ben. 2014. *Comparative Political Economy: States, Markets and Global Capitalism*. Basingstoke: Palgrave Macmillan.
- Cini, Michelle and Nieves Pérez-Solórzano Borragán. 2013. Eds. *European Union Politics. Fourth Edition*. Oxford: Oxford University Press.
- Drazen, Allan. 2000. *Political Economy in Macroeconomics*. Princeton: Princeton University Press.
- Höpner, Martin and Armin Schäfer. 2008. *Die Politische Ökonomie der europäischen Integration*. Frankfurt/New York: Campus Verlag.
- Wallace, Helen, Mark A. Pollack and Alasdair R. Young. 2010. Eds. *Policy-Making in the European Union. Sixth Edition*. Oxford: Oxford University Press.

The seminar envisages the discussion of weekly readings in group work as well as plenary. Presentations should be discussed with the lecturer at least one week ahead of the presentation. Presenters are expected to build on and to go beyond the weekly readings so as to provide input for further discussions.

A personal remark concerning a matter of course: Preparation for the discussion of weekly readings is a prerequisite for the functioning of the seminar, and therefore also for your learning success. Please do read the texts and be prepared to discuss them with your fellow students!

All participants are asked to bindingly confirm their participation via e-mail (kanthak@wiso.uni-koeln.de) until **Monday, 24 October, 10:00** at the very latest. This is necessary to allow for planning dependability.

Working requirements and assessment

Expectations:
- active participation in discussions
- preparation for discussions of weekly readings (ILIAS)
- input presentation
- research design for term paper
    - o "first idea" submission deadline: **November 20, 2016**
    - o elaborated design (2-3 pages) submission deadline: **January 23, 2017**
    - o presentation *and* discussion of elaborated designs
- term paper
    - o approx. 2,500 words (4 ECTS) *or* approx. 3,500 words (6 ECTS)
    - o 1,5 line spacing, full justification, page numbers
    - o submission deadline (pdf and printout): **March 26, 2017**

Assessment:
- term paper: **100%** of assessment
- Please note that *all* participation criteria (see above) need to be delivered and passed for a successful completion of the course!

We would like to point out that all term papers submitted in this context will be checked anonymously for plagiarism with the software Turnitin. Term papers will not be saved permanently on the Turnitin server.
For information on Turnitin see: http://www.wiso-it.uni-koeln.de/turnitin.html
See also the advice for presentations and term papers as well the information on plagiarism on our web page:
http://www.cccp.uni-koeln.de/de/public/lehre/informationen-fuer-studierende/.

Teilnahme- und Prüfungsbedingungen

Erwartungen:
- Aktive Teilnahme an Diskussionen
- Lektüre und Aufbereitung der Pflichttexte (ILIAS)
- Input-Referat
- Forschungsdesign
    - o „erste Idee": **20.11.2016**
    - o ausführliches Design (2-3 Seiten): **23.01.2017**
    - o Präsentation *und* Diskussion der ausführlichen Designs
- Hausarbeit
    - o ca. 2.500 Wörter (4 ECTS) bzw. ca. 3.500 Wörter (6 ECTS)
    - o 1,5 Zeilenabstand, Blocksatz, Seitenzahlen
    - o Abgabe (pdf und Druck-Version) bis spätestens **26.03.2017**

Bewertung
- Hausarbeit: **100%** der Bewertung
- Bitte beachten Sie, dass das Ableisten und Bestehen *aller* Teilnahmekriterien (s.o.) Voraussetzung für das Bestehen des Seminars ist!

Wir weisen Sie darauf hin, dass wir alle im Rahmen dieser Veranstaltung eingereichten Seminararbeiten mit der Software Turnitin anonymisiert auf Plagiate überprüfen. Die Arbeiten werden nicht dauerhaft auf einem Server der Firma Turnitin gespeichert.
Informationen zu Turnitin finden Sie hier: http://www.wiso-it.uni-koeln.de/turnitin.html
Hinweise zur Durchführung von Referaten und Seminararbeiten sowie Informationen zu Plagiaten finden Sie auf unserer Homepage: http://www.cccp.uni-koeln.de/de/public/lehre/informationen-fuer-studierende/.

Introduction

1. <u>Introduction</u> (October 18, 2016, 12:00-13:30)
   Round of introductions, discussion of the course schedule, assignment of presentations etc.

Basics

2. <u>Economics and Politics in Comparative Political Economy</u> (October 25, 2016, 12:00-13:30)
   Topics: The relationship between the economy and politics (differences, interdependencies); the research program of International and Comparative Political Economy (IPE; CPE)
   Required reading:
   - o   Clift, Ben. 2014. *Comparative Political Economy: States, Markets and Global Capitalism*. Basingstoke: Palgrave Macmillan: 1-19; 31-43.
   Input presentation:
   - o   Institutions: Rules or Equilibria?

3. <u>(Economic) Policy-Making in the EU I: The Single Market</u> (November 8, 2016, 12:00-13:30)
   Topics: EU policy-making and the diversity of EU policies; the establishment of the single market and its consequences
   Required readings:
   - o   Warleigh-Lack, Alex and Ralf Drachenberg. 2013. 'Policy-making in the European Union.' In: Cini, Michelle and Nieves Pérez-Solórzano Borragán. Eds. *European Union Politics. Fourth Edition*. Oxford: Oxford University Press: 199-212.
   - o   Egan, Michelle. 2013. 'The Single Market.' In: Cini, Michelle and Nieves Pérez-Solórzano Borragán. Eds. *European Union Politics. Fourth Edition*. Oxford: Oxford University Press: 254-267.
   Input presentations:
   - o   The EU as a regulatory state

4. <u>(Economic) Policy-Making in the EU II: The Monetary Union</u> (November 15, 2016, 12:00-13:30)
   Topic: The evolution of Economic and Monetary Union (EMU) in Europe; the impact of the financial, economic, and sovereign debt crises on EMU and institutional responses
   Required readings:
   - o   Verdun, Amy. 2013. 'Economic and Monetary Union.' In: Cini, Michelle and Nieves Pérez-Solórzano Borragán. Eds. *European Union Politics. Fourth Edition*. Oxford: Oxford University Press: 296-308.
   - o   Hodson, Dermot and Uwe Puetter. 2013. 'The European Union and the Economic Crisis.' In: Cini, Michelle and Nieves Pérez-Solórzano Borragán. Eds. *European Union Politics. Fourth Edition*. Oxford: Oxford University Press: 367-379.
   Input presentations:
   - o   The theory of optimum currency areas (OCA)

5. <u>Research Design in Political Science</u> (November 22, 2016, 12:00-13:30)
   Topics: scientific research; major elements of a research design: research question, theory and concept specification, operationalization and measurement, case selection, conclusions; student examples
   Required reading:
   - o   Gschwend, Thomas and Frank Schimmelfennig. 2007. Introduction: Designing Research in Political Science – A Dialogue between Theory and Data. In: Ibid. Eds. *Research Design in Political Science: How to Practice what they Preach*. Basingstoke: Palgrave Macmillan: 1-18.
   Input:
   - o   Participants prepare and discuss their first ideas for term papers

Fields of Discussion

6. <u>Causes of the Euro Crisis: New Political Economy Perspective</u> (November 29, 2016, 12:00-13:30)
   Topics: country-specific differences in competitiveness and divergences in political incentives
   Required reading:
   - o   Fernández-Villaverde, Jesús, Luis Garicano and Tano Santos. 2013. 'Political Credit Cycles: The Case of the Eurozone.' *Journal of Economic Perspectives* 27(3), 145-166.
   Input presentation:
   - o   Economics, Politics, and Economic Policy Advice

7. <u>Causes of the Euro Crisis: *Varieties of Capitalism* Perspective</u> (December 6, 2016, 12:00-13:30)
   Topics: Institutional differences in European political economies as a problem hampering EMU and as a cause of the crisis
   Required reading:
   - o   Hall, Peter A. 2012. 'The Economics and Politics of the Euro Crisis.' *German Politics* 21(4), 355-371.
   Input presentation:
   - o   Heterogeneity of labor market institutions in the Eurozone

8. <u>Adjustment Conflicts and Asymmetric Power</u> (December 13, 2016, 12:00-13:30)
    Topics: country-specific structural economic positions (surplus/deficit) as a cause for differences in preferences on crisis response strategies, relevance of power asymmetries
    Required readings:
    o   Dyson, Kenneth. 2010. 'Norman's Lament: The Greek and Euro Area Crisis in Historical Perspective.' *New Political Economy* 15(4), 597-608.
    Input presentation:
    o   The euro crisis as a conflict of monetary power

9. <u>External Trade Policy</u> (December 20, 2016, 12:00-13:30)
    Topics: recent developments in EU external trade policy (TTIP, CETA etc.)
    Required reading:
    o   Bollen, Yelter, Ferdi De Ville and Jan Orbie. 2016. 'EU trade policy: persistent liberalisation, contentious protectionism.' *Journal of European Integration* 38(3), 279-294.
    Input presentation:
    o   Public support for free trade and EU economic governance: identity or utility?

10. <u>Democracy: The First Victim of the Crisis?</u> (January 10, 2017, 12:00-13:30)
    Topics: divergences between (would-be) economically necessary and (would-be) democratically legitimate crisis responses
    Required readings
    o   Crum, Ben. 2013. 'Saving the Euro at the Cost of Democracy?' *Journal of Common Market Studies* 51(4): 614-630.
    Input presentation:
    o   The democratic deficit: does it exist?

11. <u>National Preferences and Post-Crisis EU Decision-Making</u> (January 17, 2017, 12:00-13:30)
    Topics: intergovernmental theory and its explanatory value for patterns of decision-making in the post-crisis EU
    Required reading:
    o   Schimmelfennig, Frank. 2015. 'Liberal intergovernmentalism and the euro area crisis.' *Journal of European Public Policy* 22(2), 177-295.
    Input presentations:
    o   The Council, the Commission and the Six Pack: Intergovernmentalization of the Community Method?

12. <u>Spillover to the Next Level? Supranational Governance in the Post-Crisis EU</u> (January 24, 2017, 12:00-13:30)
    Topics: supranational theory and its explanatory value for patterns of decision-making in the post-crisis EU
    Required reading:
    o   Niemann, Arne and Demosthenes Ioannou. 2015. 'European economic integration in times of crisis: a case of neofunctionalism?`' *Journal of European Public Policy* 22(2), 196-218.
    Input presentation:
    o   The European Parliament's changing roles and strategies in the EU economic governance reforms

Research Design

13. <u>Research Design: Student Examples</u> (January 31, 2017, 12:00-13:30)
    Topics: Presentation and discussion of research designs prepared by participants: each student serves as presenting author for one paper (her own design) and as principal discussant for another (design prepared by another student)
    Required readings:
    o   Submitted research designs prepared by participants

Final Session

14. <u>Seminar Conclusion</u> (February 7, 2017, 12:00-13:30)
    Topics: (final) queries concerning term papers; student feedback
    Required reading:
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