Brief Table of Contents

Fielace	Х
Part I: History, Facts and Institutions	xxi
Chapter 1: History	I
Chapter 2: Facts, Law, Institutions and the Budget	38
Chapter 3: Decision Making	73
Part II: The Microeconomics of European Integration	101
Chapter 4: Essential Microeconomic Tools	103
Chapter 5: The Essential Economics of Preferential Liberalization	122
Chapter 6: Market Size and Scale Effects	147
Chapter 7: Growth Effects and Factor Market Integration	174
Dowt III. Ell Dalicina	
Part III: EU Policies	209
Chapter 8: The Common Agricultural Policy	211
Chapter 9: Location Effects, Economic Geography and Regional Policy	242
Part IV: Monetary Integration: History and Principles	273
Chapter 10: A Monetary History of Europe	275
Chapter II: The Choice of an Exchange Rate Regime	292
Chapter 12: The European Monetary System	313
Part V: The Monetary Union	327
Chapter 13: Optimum Currency Areas	329
Chapter 14: The European Monetary Union	357
Part VI: Beyond Money: Budgets, Financial Markets, Jobs	379
Chapter 15: Fiscal Policy and The Stability Pact	381
Chapter 16: The Financial Markets and the Euro	401
Chapter 17: Economic Integration and Labour Market Institutions	426

Detailed Table of Contents

Preface

Guided Tou	ır	xiv
Teaching ar	nd Learning Resources	xvi
Technology	to Enhance Learning and Teaching	xvii
Acknowledg	gements	xix
	,	
Part I: Hi	istory, Facts and Institutions	xxi
Chapter 1:	History	,
		11
	Early post-war period Two strands of European integration: federalism and	3
1.2	intergovernmentalism	8
т 2	Evolution to two concentric circles: domino effect part I	
-	Euro-pessimism	14 16
•	Deeper circles and domino effect part II:	10
,	the Single Market Programme and the EEA	19
1.6	Communism's creeping failure and spectacular collapse	22
	German unification, Maastricht and the euro	24
1.8	Preparing for Eastern enlargement: Amsterdam and Nice Treaties	24
1.9	Summary	26
	ANNEX A	28
	ANNEX B	30
	ANNEX C	35
PERSONAL PROPERTY.		
CHARLES CONTRACTOR CON	Facts, Law, Institutions and the Budget	38
	Some important facts	39
	EU law	43
-	The 'Big-5' institutions	47
2.4	Legislative processes	57

Detailed Table of Contents

,	The budget	59
2.6	Summary	69
Chapter 3	Decision Making	73
	Task allocation and subsidiary: EU practice and principles	74
-	Fiscal federalism and task allocation among government levels	76
3.3	Economical view of decision making	83
3.4	The distribution of power among EU members	87
3.5	Legitimacy in EU decision making	93
3.6	Summary	97
Part II:	The Microeconomics of European Integration	101
Chapter 4	: Essential Microeconomic Tools	103
4.1	Preliminaries I: supply and demand diagrams	104
4.2	Preliminaries II: introduction to open economy supply and	
	and demand analysis	106
4.3	MFN tariff analysis	111
4.4	Types of protection: an economic classification	116
4.5	Summary	119
Chapter 5	The Essential Economics of Preferential Liberalization	122
5.1	Analysis of unilateral discriminatory liberalization	123
5.2	Analysis of a customs union	131
5.3	Customs unions versus free trade agreements	136
	WTO rules	138
		- 0
	Empirical studies	138
	Summary	138
		-
5.6	Summary	139
5.6 Chapter 6	Summary ANNEX : Market Size and Scale Effects Liberalization, defragmentation and industrial restructuring:	139 143 147
5.6 Chapter 6 6.1	Summary ANNEX : Market Size and Scale Effects Liberalization, defragmentation and industrial restructuring: logic and facts	139 143 147 148
5.6 Chapter 6 6.1	Summary ANNEX : Market Size and Scale Effects Liberalization, defragmentation and industrial restructuring: logic and facts Theoretical preliminaries: monopoly, duopoly and oligopoly	139 143 147 148 150
5.6 Chapter 6 6.1 6.2 6.3	Summary ANNEX : Market Size and Scale Effects Liberalization, defragmentation and industrial restructuring: logic and facts Theoretical preliminaries: monopoly, duopoly and oligopoly The BE-COMP diagram in a closed economy	139 143 147 148 150
5.6 Chapter 6 6.1 6.2 6.3 6.4	Summary ANNEX : Market Size and Scale Effects Liberalization, defragmentation and industrial restructuring: logic and facts Theoretical preliminaries: monopoly, duopoly and oligopoly	139 143 147 148 150

6.6	Competition policy and anti-competitive behaviour	169
6.7	Summary	171
Chapter 7	: Growth Effects and Factor Market Integration	174
<u>-</u>	The logic of growth and the facts	175
•	Medium-term growth effects: induced capital formation	
	with Solow's analysis	179
7.3	Long-term growth effects: faster knowledge creation and absorption	188
, ,	Microeconomics of capital market integration	190
, ,	Microeconomics of labour market integration	197
7.6	Summary	205
Part III:	EU Policies	209
Chapter 8	: The Common Agricultural Policy	211
	Early days: domestic price supports	212
	CAP problems	220
	Reforms	229
8.4	Evaluation of the today's CAP	232
8.9	Future challenges	236
8.6	Summary	238
Chapter 9	: Location Effects, Economic Geography and Regional Policy	242
	Europe's economic geography: the facts	243
9.2	Theory part 1: comparative advantage	247
9.3	Theory part 2: agglomeration and the new economic geography	250
9.4	Theory part 3: putting it all together	258
9.5	; EU regional policy	260
9.6	Empirical evidence	265
9.7	7 Summary	266
	ANNEX A	267
	ANNEX B	270
Part IV:	Monetary Integration: History and Principles	273
Chapter	10: A Monetary History of Europe	275
	Metallic money	276

W

Detailed Table of Contents

	10.2 The Gold Standard	277
	10.3 The unhappy inter-war period	280
	10.4 The post-war years: fear of the past	283
	10.5 After Bretton Woods: Europe on its own	285
	10.6 Lessons from history	289
	10.7 Summary	290
Chap	oter 11: The Choice of an Exchange Rate Regime	292
	II.I The exchange rate and monetary policy	293
	II.2 The range of exchange rate regimes	302
	11.3 Choices	305
	11.4 Summary	310
Chap	oter 12: The European Monetary System	313
	12.1 The EMS agreements	314
	12.2 EMS-1: from divergence to convergence and blow-up	317
	12.3 The EMS re-engineered	322
	12.4 Summary	324
	V: The Monetary Union	327
	ter 13: Optimum Currency Areas	329
	ter 13: Optimum Currency Areas 13.1 The question, the problem, and the answer	329 330
	ter 13: Optimum Currency Areas 13.1 The question, the problem, and the answer 13.2 The optimum currency area criteria	329 330 335
	ter 13: Optimum Currency Areas 13.1 The question, the problem, and the answer 13.2 The optimum currency area criteria 13.3 Is Europe an optimum currency area?	329 330 335 340
	ter 13: Optimum Currency Areas 13.1 The question, the problem, and the answer 13.2 The optimum currency area criteria	329 330 335
Chap	13.1 The question, the problem, and the answer 13.2 The optimum currency area criteria 13.3 Is Europe an optimum currency area? 13.4 Will Europe become an optimum currency area? 13.5 Summary	329 330 335 340 350 354
Chap	ter 13: Optimum Currency Areas 13.1 The question, the problem, and the answer 13.2 The optimum currency area criteria 13.3 Is Europe an optimum currency area? 13.4 Will Europe become an optimum currency area?	329 330 335 340 350 354
Chap	ter 13: Optimum Currency Areas 13.1 The question, the problem, and the answer 13.2 The optimum currency area criteria 13.3 Is Europe an optimum currency area? 13.4 Will Europe become an optimum currency area? 13.5 Summary ter 14: The European Monetary Union 14.1 The Maastricht Treaty 14.2 The Eurosystem	329 330 335 340 350 354 357
Chap	ter 13: Optimum Currency Areas 13.1 The question, the problem, and the answer 13.2 The optimum currency area criteria 13.3 Is Europe an optimum currency area? 13.4 Will Europe become an optimum currency area? 13.5 Summary ter 14: The European Monetary Union 14.1 The Maastricht Treaty 14.2 The Eurosystem	329 330 335 340 350 354 357 358 363
Chap	Iter 13: Optimum Currency Areas 13.1 The question, the problem, and the answer 13.2 The optimum currency area criteria 13.3 Is Europe an optimum currency area? 13.4 Will Europe become an optimum currency area? 13.5 Summary Iter 14: The European Monetary Union 14.1 The Maastricht Treaty 14.2 The Eurosystem 14.3 Objectives, instruments and strategy	329 330 335 340 350 354 357 358 363 366
Chap	ter 13: Optimum Currency Areas 13.1 The question, the problem, and the answer 13.2 The optimum currency area criteria 13.3 Is Europe an optimum currency area? 13.4 Will Europe become an optimum currency area? 13.5 Summary ter 14: The European Monetary Union 14.1 The Maastricht Treaty 14.2 The Eurosystem	329 330 335 340 350 354 357 358 363 366 371
Chap	ter 13: Optimum Currency Areas 13.1 The question, the problem, and the answer 13.2 The optimum currency area criteria 13.3 Is Europe an optimum currency area? 13.4 Will Europe become an optimum currency area? 13.5 Summary ter 14: The European Monetary Union 14.1 The Maastricht Treaty 14.2 The Eurosystem 14.3 Objectives, instruments and strategy 14.4 Independence and accountability	329 330 335 340 350 354 357 358 363 366

Part VI:	Beyond Money: Budgets, Financial Markets, Jobs	379
Chapter 15	: Fiscal Policy and The Stability Pact	381
15.1	Fiscal policy in the monetary union	382
15.2	Fiscal policy externalities	385
15.3	Principles	388
	The Stability and Growth Pact	392
15.5	Summary	398
Chapter 1	5: The Financial Markets and the Euro	401
16.1	What is special about financial markets and why a single	
	currency might matter	402
16.2	Financial institutions and markets	406
16.3	The international role of the euro	418
16.4	Summary	422
Chapter 1	7: Economic Integration and Labour Market Institutions	426
	National labour markets and economic integration	427
•	Labour market institutions	433
	A European model: what's on the menu?	445
	Summary	449

Index

453