



**Course Title: Europe's crises: Southern trajectories and EU contested futures.**

**Course Code: GREA ECMO 380**

**Credits: 3**

**Instructor: Blanca Ananiadis**

### ***Course Description***

In Europe, the certainties brought about by the euro as a strong common currency were hampered by 2010. Starting with the Greek debt reaching unmanageable levels, the awareness of the underlying problems of the European Union socio-economic construction came to the fore. Together with a deep recession in some of the 'weakest' links (the four Southern EU members), a Union-wide rethinking of hitherto unchallenged economic assumptions and strategies was triggered. To examine this process, the course proceeds in a twofold manner. Firstly, it explores economic and political approaches to 'crisis', assessing both their theoretical and empirical dimensions. Secondly, it looks at the economic, political and social trajectories of Greece, Italy, Spain and Portugal and the impact of European governance upon their domestic structures.

### **Learning Outcomes**

Students with an interest in political economy, international studies, comparative politics or economics would be able to:

- Review the theoretical underpinnings of different interpretations of the concept of crisis, focusing on those schools of political and/or economic thought that inform studies of contemporary political economy.
- Appraise the economic and political development of European unification since the post-war years, and its impact upon the national institutions of the Southern countries in the context of globalization.
- Introduce a comparative dimension to the study of past and current crises in Europe, assessing their likely origins and identifying differences and commonalities in the Greek, Italian, Spanish and Portuguese processes of Europeanization.
- Assess the manner in which the current crisis has contributed to further transform the 'Southern European model' of welfare.
- Analyze academic and journalistic explanations of the economic downturn in Europe, identifying the theoretical assumptions included in such assessments.

### **Course Requirements:**

## a. Readings:

The course does not require one textbook but select chapters and articles from the following indicative sources:

### a.i Books

Castells M., Caraça J. & Cardoso G. *Aftermath; The Cultures of Economic Crisis*, Oxford: Oxford University Press, 2012. ISBN 978-0-199-65841-7.

Jones E. et al. (eds.) *Developments in European Politics*, 2<sup>nd</sup>. Edition, Basingstoke Hampshire: Palgrave Macmillan, 2011. ISBN 978-0-230-22188-8

Eichengreen B. *The European Economy since 1945: Coordinated Capitalism and Beyond*, Princeton Economic History of the Western World Series, Princeton NJ: Princeton University Press, 2012. ISBN 978-0-691-13848-0

Bulmer S. & Lequesne C. (eds.) *The Member States of the European Union*, Oxford: Oxford University Press, 2012. ISBN 978-0-199-54483-7

### a.ii Journals

All journal articles and other data sources can be accessed through the Landman Library (e.g. South European Society & Politics, OECD reports, New Political Economy, History of Political Economy, West European Politics, Portuguese Economic Journal, Review of Political Economy).

### a.iii Sites

There are a great number of university-based open access gates available to students. These include refereed working papers on Greece, Italy, Portugal and Spain (in English). Other country specific articles and Europe-wide analyses and reports can be accessed through:

[www.europa.eu](http://www.europa.eu)

<http://cadmus.eui.eu>

[www.iobe.gr](http://www.iobe.gr)

[www.march.es](http://www.march.es)

[www.oecd.org](http://www.oecd.org)

[www.mpifg.de/pu/discpapers\\_en.asp](http://www.mpifg.de/pu/discpapers_en.asp)

[www.econ.mpg.de/english](http://www.econ.mpg.de/english)

[www.urge.it](http://www.urge.it)

Students are expected to read assigned texts prior to the class. In addition, they are required to read regularly the news pertaining to the themes of this course in the English section of the daily *Kathimerini* and/or the weekly *Athens News*.

## b. Grading:

- Term paper 25%
- Class participation/contributions and group work 25 %
- Mid-term Examination 25%
- Final Examination 25%

Students' assessment is based on the US Grade Scale

Grade	Description	Percentage
A	Excellent	94-100%
A-	Excellent	90-93%
B+	Above average	87-89%
B	Above average	84-86%
B-	Above average	80-83%
C+	Average	77-79%
C	Average	74-76%
C-	Average	70-73%
D+	Below average	67-79%
D	Below average	64-66%
D-	Below average	60-63%
F	Fail	0-59%

**c. Class Activities, Exams and Term Paper:**

◆ In-class group assignments add to (+) or subtract from (-) class participation (CP) scores. Absent students receive the grade obtained by their groups. In-class writing activities include short summaries of group discussions. In order to encourage the engagement of reserved students, the instructor grades the content, organization and completeness of individual/group presentations rather than the oral skills of the presenters.

◆ Both exams are predominantly essay-based and cover roughly half of the term's material. The quality of the writing is taken into consideration.

◆ The final paper should be approx. 3000 words and it is due on the 10th week of term.

◆ American Political Science Association, American Psychological Association, Modern Language Association, or other university-approved style manual should be used in all papers. Papers are graded taking into account content, development and the quality of the bibliographical sources and annotation (50%), organization (25%) and language use and format (25%).

◆ Each student is required to do one in-class oral presentation on the topics included in the course outline. Class presentations would normally develop into the 'first draft' of the final written assignment. The draft should be submitted (and discussed with the instructor) during the weeks following the mid-term examination. Students should expect a one-grade penalty for late submission of the final paper.

**Other policies:**

- Participation is not just about talking, giving opinions or exercising critical capacities. It should also involve giving evidence of reading either the material assigned or other sources relevant to the subject matter.
- One unexcused absence is permitted. Students should inform the teacher and administration before class meeting time for other absences (e.g. due to illness) to count as excused.
- Each student is responsible for performing academic tasks in such a way that honesty is not in question. All tests, term papers, oral and written assignments, and other academic efforts are to be the work of the student presenting the material. Any use of wording, ideas, or findings of other persons, writers, or researchers requires the explicit citation of the source; use of the exact wording requires a 'quotation' format.

## Course Outline

**Please note that approximately twenty minutes of each class meeting are devoted to the discussion of developing European affairs and new data related to this course outline's content.**

### *Week one:*

#### Class 1

Introduction: What crisis? Whose crisis?

Depression, slump, recession, emergency and crisis: the concepts.

#### Class 2

Economists on crisis and the crisis of economics 1:

Contemporary economic thought: the neo-classical reasoning, monetarism, rational expectations.

### *Week two:*

#### Class 3

Economists on crisis and the crisis of economics 2:

Contemporary economic thought: Institutionalisms, the Keynesian contribution. Old and 'new' political economy.

#### Class 4

The 'Eurozone crisis': alternative readings. Neoliberalism and the post-Keynesian paradigm. Marxist/neo-Marxist approaches, post-structuralism, constructivism.

### *Week three:*

#### Class 5

Rooted in history 1:

The "golden" years, the 'Great Depression'.

The 'twenty years crisis' and WWII. Realism.

#### Class 6

Rooted in history 2:

Bretton Woods: the system, the policies.

The political economy of post-war reconstruction; Marshall & the ERP.

The lasting legacy of John Maynard Keynes.

### *Week four:*

#### Class 7

The European project: economic motivations, political will.

Origins and Institutions of European governance.

Federalism, Intergovernmentalism.

## Class 8

The Keynesian Welfare State and the 'ideology of growth' in Northern Europe.  
Late welfarism and the role of the state in Southern Europe.  
The uneven transformation of the four 'welfare models'.

### *Week five:*

## Class 9

The trade system:  
GATT/WTO, internationalization, globalization.  
Customs union, common market, single market. Rules and compliance issues.  
The Southern enlargement: lasting consequences of trade creation and deviation.

## Class 10

Money & banking:  
The demise of the Bretton Woods settlement.  
Oil crises, European stagflation. The monetarist project.  
The 'debt crisis'; changing patterns and models of European banking.

### *Week six:*

## Class 11

Europeanization: the concept.  
The case of monetary union: the first EMU project, the EMS, back to EMU.  
The birth of the EURO. Stability and Growth Pacts I & II

## Class 12

### **Mid-term examination**

### *Week seven:*

## Class 13

Southern Europe:  
a. Authoritarianism and the transition to democratic regimes in historical perspective.  
b. States and (European) markets: an overview.

## Class 14

Southern Europe:  
A 'cultural' issue? Clientelism, familism and the Southern economies.  
European convergence in theory and practice.  
Recession and populisms.

### *Week eight:*

## Class 15

Italy:  
The fascist legacy and the post-war compromise.  
Coalition politics: *e pur si muove*. Regionalism.  
Electoral reform and the restructuring of the party system: implications for the role of the state in economic governance.  
The Italian 'economic miracle' and the regional gap.

## Class 16

### Italy:

Flexible specialization, industrial districts, the informal economy.  
Clientelism and public debt; the Berlusconi experiments.  
The institutional repercussions of Italian Europeanization.  
Debts, deficits and the weaknesses of an established model.  
The role of trade unions and organized civil society in troubled times.

### *Week nine:*

## Class 17

### Greece:

The fall of the Junta regime and the Third Greek Republic; constitutional reforms.  
The political economy of a populist experiment: Pasok's decade.  
Statism, clientelism and economic downturn. Industrial relations.  
The small and medium enterprise model: origins, development, pitfalls.

## Class 18

### Greece's Europeanization:

The EMU framework. Adoption of the EURO and its aftermath.  
Privatizations, state aid and the survival of bureaucratic clientelisms.  
Public debt, private consumption, government & trade deficits.  
Tax evasion and the unrecorded economy. Greece's role in the Balkans.

### *Week ten:*

## Class 19

### The Iberian Examples:

#### Spain

The dictatorial legacy and late democratization.  
The political economy of convergence. Regionalisms.  
Structural unemployment and industrial relations. NGOs.  
The state and finances; the Spanish banking sector.

## Class 20

### The Iberian Examples:

#### Portugal

From the Stado Novo to the politics of compromise.  
Economic recovery and uneven income distribution.  
The proactive state, the 'imported' dimension of Portuguese crises.  
Iberian interdependence and the socio-economy.

### *Week eleven:*

## Class 21

European economic governance and the 'core-periphery' setting 1:

Eurozone institutional build-up after 'the Greek crisis': the European Financial Stability Fund (EFSF), the European Stability Mechanism (ESM), the Banking Union project, enters private sector involvement (PSI).

Bailouts and conditionality: the role of the IMF, the 'Troika'.

The ECB: new tasks, enhanced profile. The European banking sector and finances: an update.

#### Class 22

European economic governance and the 'core-periphery' setting 2:

Evaluating the differential origins and impact of bailouts: Greece, Portugal, Ireland, Cyprus, Spain and counting.

Austerity vs. stimulus: economic, political and theoretical dimensions.

Reforms: the comparative perspective.

Europe's contested futures: conflict, compromises, institutional hurdles and the political economy of integration.

*Week twelve:*

#### Class 23

**Final examination.**

#### **Field Study in Rome:**

#### **ARCADIA UNIVERSITY SYMPOSIUM ON POLITICAL ECONOMY IN THE MEDITERRANEAN TIMES OF CRISIS: DIFFICULTY AND OPPORTUNITY**

Through this course, students in Rome and Athens will look at their respective cities through the very contemporary lens of today's economic situation. Leading up to their field study, a combined conference held in Rome towards the end of the term, students will prepare to compare and contrast their local realities with that of their companions and each will identify factors that define and characterize political economy in the Mediterranean region in the European Union framework. The field study will be in part symposium, (Arcadia University Symposium on Political Economy in the Mediterranean Times of Crisis), and open to the public and student body of Università degli Studi Roma Tre during which students from Rome and Athens will listen together to external experts in the field. There will also be an exploratory aspect to it; Rome students will act as hosts and show their city through the lens of the weekend's theme and Athens students will compare and contrast what they see with what knowledge they bring from their own city. Lastly, there will be the workshop component where mixed groups, guided by their professors, will examine issues and topics put forth throughout the working weekend and come back with a paper and presentation on them. The end of the weekend will be dedicated to visiting the Eternal City with newly forged friendships before heading back to the members' respective programs..