



## Economic growth, crisis, and integration in Europe

<b>Course code</b>	<i>ECO137</i>
<b>Compulsory in the programmes</b>	<i>Elective</i>
<b>Level of studies</b>	<i>Undergraduate</i>
<b>Number of credits and</b>	<i>6 ECTS (48 contact hours + 2 consultation hours, 2 hours of examination, 110 individual work hours)</i>
<b>Course coordinator (title and name)</b>	<i>Lect. Adomas Klimantas</i>
<b>Prerequisites</b>	<i>None</i>
<b>Language of instruction</b>	<i>English</i>

### THE AIM OF THE COURSE:

The course aims to provide the readers with knowledge of what exactly changed in the European economy from medieval times until today, why those changes, crises, revolutions and transitions happened, what were the effects of these changes on an average citizen and what is the impact of them on today's macroeconomic thought. After the course the students should be able to answer why modern economic growth started in Western Europe, how it accelerated the growth in the continent and establishment of Europe as the world leader in living standards. They should also be able to distinguish the reasons why certain parts of Europe are and/or have been better off than others and trace the origins of modern economic thought and its alternatives with empirical examples of how versions of these policies worked in the past. The course also aims to distinguish the key obstacles to European development, including the major crises, revolutions and humanitarian disasters which happened in the long-run past as well as in the recent decades. Importantly, the readers of the course will learn about the most important consequences and lessons European countries faced and learned through the uneven historical growth pattern. By the end of the course, the students will be able to comprehend the impact of European economic integration as the main driver of long-term growth, prosperity and peace in the continent. The overall goal of the course is to invite the student to accept or to challenge the idea of further European integration based on its economic history.

### MAPPING OF COURSE LEVEL LEARNING OUTCOMES (OBJECTIVES) WITH DEGREE LEVEL LEARNING OBJECTIVES (See Annex), ASSESMENT AND TEACHING METHODS

Course level learning outcomes (objectives)	Degree level learning objectives (Number of LO)	Assessment methods	Teaching methods
CLO1. Understanding the concept of GDP as the main macroeconomic indicator, being able to make assumptions about a country from GDP and GDP per capita data.	ELO1.1., ELO2.1.	Group presentations and exam	Lecture, self-study, group presentations and class discussions
CLO2. Being aware of the major developments in European economy before the industrial revolution, after its onset through the 20 <sup>th</sup> century crises and disasters until today	ELO1.1.	Group presentations and exam	Lecture, self-study, group presentations and class discussions
CLO3. Understanding the reasons why Europe became the World's leader in living standards	ELO1.1., ELO1.2.	Group presentations and exam	Lecture, self-study, group presentations and class discussions
CLO4. Understanding the major crises, transformations, revolutions and other events which shaped European economy from medieval ages to the 21 <sup>st</sup> century	ELO1.1.	Group presentations and exam	Lecture, self-study, group presentations and

			class discussions
CLO5. Being able to critically assess the impact of major crises, transformations, revolutions and other events on Europe's economy, on the economies of individual countries and on the well-being of an average European. Also being able to draw lessons that Europe should or have learned from these major events.	ELO1.1., ELO1.2., ELO2.1.	Group presentations and exam	Lecture, self-study, group presentations and class discussions
CLO6. Being aware of the long-run reasons why different parts of Europe have divergent living standards	ELO1.1.	Group presentations and exam	Lecture, self-study, group presentations and class discussions
CLO7. Understanding the reasons why certain parts of Europe developed or chose different economic systems in the 20 <sup>th</sup> century and the results of these divergent systems were.	ELO1.1.	Group presentations and exam	Lecture, self-study, group presentations and class discussions
CLO8. Understanding the pivotal role of European disunity and integration in relation to the growth of European living standards, productivity and ability to withstand recessions.	ELO1.1., ELO2.1.	Group presentations and exam	Lecture, self-study, group presentations and class discussions
CLO9. Being able to comprehend, critically assess and present the most influential research papers assigned	ELO4.2.	Group presentations	Group presentations and class discussions

### ACADEMIC HONESTY AND INTEGRITY

The ISM University of Management and Economics Code of Ethics, including cheating and plagiarism are fully applicable and will be strictly enforced in the course. Academic dishonesty, and cheating can and will lead to a report to the ISM Committee of Ethics. With regard to remote learning, ISM remind students that they are expected to adhere and maintain the same academic honesty and integrity that they would in a classroom setting.

### COURSE OUTLINE

Topic	In-class hours	Readings
1.1. Introduction 1.2. Measures of aggregate production and growth 1.3. Introduction to the analysis of Europe's growth	4	Persson (2010), chapter 1. Optional seminar readings 1-4
2. Stagnating pre-industrial Europe	4	Persson (2010), chapters 2-5. Optional seminar readings 5-8
3. The industrial revolution in Western Europe	4	Persson (2010), chapter 6, 9; Berend (2013), chapters 1-8. Optional seminar readings 9-12
4. Eastern, Central and Southern Europe in 1800s & standings before WW1	4	Berend (2013), chapters 9-14. Optional seminar readings 13-16
5. European economy between the wars: the great inflations and the Great depression	4	Berend (2016), chapter 2; Persson (2010), chapter 8, 9. Optional seminar readings 17-20

6. Economic dirigisme & protectionism in right-wing authoritarian regimes	4	Berend (2016), chapter 3. Optional seminar readings 21-24
MID-TERM EXAM	2	Topics 1-6
7. The centrally planned economic system - USSR and the Communist bloc	4	Berend (2016), chapter 4. Optional seminar readings 25-28
8. Mixed economy and welfare state in an integrated post-World War II Western Europe	4	Berend (2016), chapter 5. Optional seminar readings 29-32
9. Globalization, 1980s-2008: return to laissez-faire?	4	Berend (2016), chapter 6. Optional seminar readings 33-36
10. The Great recession of 2008 and beyond	4	Optional seminar readings 37-40
11. Overall and regional development in Europe during the last 100 years	4	Morys (2020); Berend (2020);
	<b>Total: 48 hours</b>	
CONSULTATIONS	2	
FINAL EXAM	2	Topics 6-11

#### FINAL GRADE COMPOSITION

Type of assignment	%
<i>Group Components 35%</i>	
Personal/Group presentation(s)	35
<i>Individual Components 65%</i>	
Mid-term exam	25
Final exam	40
<b>Total:</b>	<b>100</b>

#### DESCRIPTION AND GRADING CRITERIA OF EACH ASSIGNMENT

*(Provide short descriptions and grading criteria of each assignment)*

The **personal/group presentation(s)** will account for 35% of the final grade. Students will be divided into groups of 2-5 with each group having one or more research/discussion papers assigned to it. The paper(s) will have to be presented by the group to the rest of the students during the seminar following the respective theoretical lecture concerning the topic. Students will be required to add a final slide summarising the 2-3 key points they have learned from the paper.

The **mid-term exam** will account for 25% of the final grade and will be given in the form of a multiple-choice questionnaire covering topics 1-5. Questions will be drawn from lecture slides and from the key points identified during the student presentations.

The **final exam** will account for 40% of the final grade, it will consist of two parts:

- A multiple-choice questionnaire covering topics 6-11, similar to the mid-term exam. Questions will be based on lecture material and key points from the group presentations.
- An open question where students will be asked to express their take on the European economic integration in the past, present, and future in a short paragraph.



### **RETAKE POLICY**

In case of a negative final grade, students are allowed to retake the final exam. The retake will consist of a multiple-choice test covering topics 1-11 and a mini essay. The weight of the retake is 65%. Presentation assignments and mid-term exam cannot be redone or retaken.

### **REQUIRED READINGS**

None

### **ADDITIONAL READINGS**

Persson, K. G. (2010) *An economic history of Europe : knowledge, institutions and growth, 600 to the present*. Cambridge: Cambridge University Press.

Berend, T. I. (2013) *An economic history of nineteenth-century Europe : diversity and industrialization*. Cambridge: Cambridge University Press.

Berend, T. I. (2016) *An economic history of twentieth-century Europe : economic regimes from laissez-faire to globalization*. Second edition. Cambridge: Cambridge University Press.

Berend, T. I. (2020) *Economic history of a divided Europe : four diverse regions in an integrating continent*. Abingdon, Oxon ; Routledge.

Morys, M. (ed.) (2020) *The economic history of Central, East and South-East Europe : 1800 to the present*. Abingdon, Oxon ; Routledge.;



**DEGREE LEVEL LEARNING OBJECTIVES**

**Learning objectives for the Bachelor of Business Management**

*Programmes:  
International Business and Communication,  
Business Management and Marketing,  
Finance,  
Industrial Technology Management,  
Entrepreneurship and Innovation*

<b>Learning Goals</b>	<b>Learning Objectives</b>
Students will be critical thinkers	BLO1.1. Students will be able to understand core concepts and methods in the business disciplines
	BLO1.2. Students will be able to conduct a contextual analysis to identify a problem associated with their discipline, to generate managerial options and propose viable solutions
Students will be socially responsible in their related discipline	BLO2.1. Students will be knowledgeable about ethics and social responsibility
Students will be technology agile	BLO3.1. Students will demonstrate proficiency in common business software packages
	BLO3.2. Students will be able to make decisions using appropriate IT tools
Students will be effective communicators	BLO4.1. Students will be able to communicate reasonably in different settings according to target audience tasks and situations
	BLO4.2. Students will be able to convey their ideas effectively through an oral presentation
	BLO4.3. Students will be able to convey their ideas effectively in a written paper

**Learning objectives for the Bachelor of Social Science**

*Programmes:  
Economics and Data Analytics,  
Economics and Politics*

<b>Learning Goals</b>	<b>Learning Objectives</b>
Students will be critical thinkers	ELO1.1. Students will be able to understand core concepts and methods in the key economics disciplines
	ELO1.2. Students will be able to identify underlying assumptions and logical consistency of causal statements
Students will have skills to employ economic thought for the common good	ELO2.1. Students will have a keen sense of ethical criteria for practical problem-solving
Students will be technology agile	ELO3.1. Students will demonstrate proficiency in common business software packages
	ELO3.2. Students will be able to make decisions using appropriate IT tools
Students will be effective communicators	ELO4.1. Students will be able to communicate reasonably in different settings according to target audience tasks and situations
	ELO4.2. Students will be able to convey their ideas effectively through an oral presentation
	ELO4.3. Students will be able to convey their ideas effectively in a written paper