

Economics of Regional Integration

Spring 2017

Instructor: Professor Sang-Hyup SHIN

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Office Hour: to be announced

Course Description

There will be 15 weeks class sessions in this spring term. The main objective of this course is to examine what kinds of relationships have existed between the regional economic integration and the global trade liberalization mainly since the end of World War II. To do this, it is reviewed how nations have cooperated through the General Agreement on Tariffs and Trade (GATT) and the World Trade Organization (WTO). The economic effects and characteristics of various regional economic agreements are also reviewed. The regional economic agreements include the European Union (EU), the North American Free trade Area (NAFTA), ASEAN Free Trade Agreement (ATA), Asian-Pacific Economic Cooperation (APEC), and Asia-Europe Meeting (ASEM).

Course Evaluation

The performance of students will be evaluated on a mid-term and a final examination, and class attendance/participation. If students want to replace one of the examinations with a 2000 word paper he/she can do it with my approval (refer to Table 1). Students will be required to sit two examinations in this semester, which will count for 70% of the final grade. The mid-term and final examinations will include compulsory short questions covering all the major topic areas and two or three essay questions. Each student is allowed to select a subject pertinent to the course for a paper if he/she wants.

Table 1. Weight of the course requirement

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|--|------|
| 1) Class attendance/participation/ presentation----- | 200% |
| 2) Mid-term examination ----- | 40% |

- 3) Final-term examination ----- 40%
- * 4) a 2000 word paper -----40%

Schedule of Work

- One Day between April 17 and 21: The mid-term exam will be administered at class.
- One Day between June 5 and 9: The final examination will be administered at class
- The May 31: Final research paper is due by noon.

Course Outline and Reading List (weeks 1-15)

Week 1-2: The History, Geography and Theories of Regional Economic Integration

Readings

* = a required reading.

* **Only required reading materials will be offered.**

* Maurice Schiff and L. Alan Winters (2003), *Regional Integration and Development*, pp.1-100, Washington: World Bank and Oxford University Press

* Peter Robson (1998), *The Economics of International Integration*, pp.45-96, London: Routledge

* Walter Malti (1999), *The Logic of Regional Integration*, pp. 1-67, Cambridge University

* Griffin, Ricky W. and Pustay, Michael W. (2003), *International Business: A managerial perspective*, pp.242-45, Addison-Wesley Publishing Company.

* Ali M. El-Agraa (1997), *Economic Integration Worldwide*, pp.1-33, New York: St. Martin's Press

* Hoekman, Bernard & Kostecki, Michel (1997), *The Political Economy of the World Trading System*, pp.213-32, New York: Oxford University Press Inc.

- Lawrence, Robert Z. (1995), *Emerging Regional Arrangements: Building Blocks or Stumbling Blocks?* In *International Politics economy* edited by Frieden, Jeffrey A. and Lake, David A., Routledge.

- Sleigh, Stephen R. (1997), *The Social Dimensions of Economic Integration in World Trade*

edited by Griesgraber.J.M & Gunter, B.G, London and Chicago: Pluto Press.

- Trebilcock, Michael J. and Howse, Robert (1995), Tariffs, The MFN Principle, and Regional Trading Blocs in *the Regulation of international Trade*, Routledge.

Week 3-4: International Cooperation among Nations; The GATT and the WTO

Readings

* Maurice Schiff and L. Alan Winters (2003), *Regional Integration and Development*, pp.244-256, Washington: World Bank and Oxford University Press

* John H. Jackson (2000), *The World Trading System*, London & Massachusetts: the MIT Press, Ch.1 & Ch.2 (pp.1-78)

* Ali M. El-Agraa (1997), *Economic Integration Worldwide*, pp.34-71, New York: St. Martin's Press

* Griffin, Ricky W. and Pustay, Michael W. (2003), *International Business: A managerial Perspective*, pp.234-42, Addison-Wesley Publishing Company.

* Hoekman, Bernard & Kostecki, Michel (1997), *The Political Economy of the World Trading System*, ch.1 & 2, New York: Oxford University Press Inc.

- Whalley, John and Hamilton, Colleen (1996), *The Trading System after the Uruguay Round*, pp.123-41, Washington, DC: Institute for International Economics

- Trebilcock, Michael J. and Howse, Robert (1995), *The regulation of international Trade*, pp.1-17, London: Routledge, pp.1-17 & 25-39

- Reisman, Simon (1996), *The Birth of a World Trading System: ITO and GATT in The Bretton Woods-GATT System* edited by Orin Kirshner, New York: M.E. Sharp

Week 5-7: The European Union (EU)

Readings

* EU, (2017) , *Brexit and the EU*

* Wilem Molle (2006), *The Economics of European Integration: Theory, Practice, Policy*, London: Ashgate

* Mark Balmbridge et al (2004), *Current Economic Issues in EU Integration*, New York: Palgrave Macmillan

* John Gillingham (2003), *European Integration, 1950-2003: Superstate or New Market Economy*, Cambridge University Press

* Jacques Pelkmans (2002), *European Integration*, Prentice Hall

* Jrgen Drud Hansen and Jorgen Durd (2001), *European Integration : An Economic*

Perspective, Oxford University Press

* Pentus Braunerhjelm et al (2000), *The Location of Economic Activity in the EU*, Washington D.C.: Center for Economic Policy Research

* Nicholas Moussis (2000), *Guide to European Policies*, pp.43-98, Belgium: European Study Service

- John Peterson and Elizabeth Bomberg (1999), *Decision-Making in the European Union*, Ch. 2 & 3, New York: Macmillan

- Griffin, Ricky W. and Pustay, Michael W. (2003), *International Business: A managerial perspective*, pp. 246-57, Addison-Wesley Publishing Company.

- Jones, Robert A. (1996), *The Politics and Economics of the European Union*, Cheltenham UK: Edward Elgar.

- Willem Molle (1997), *The Economics of European Integration*, Aldershot: Dartmouth

Week 8: Mid-term Exam

Week 9-10: The North American Free Trade Agreement (NAFTA)

Readings

* Ralph H. Folsom (2008), *NAFTA and Free Trade in the Americas in a Nutshell*, USA: Thomsen/West

* Sidney Weintraub (2004), *NAFTA's Impact on North America: The First Decades*, Center for Strategic And International Studies

* Jeffery D. Abbott & Robert T. Morgan (2002), *Uniting North American Business: NAFTA Best Practices*, Butterworth-Helmenann

* Edward J. Chambers et al (2002), *NAFTA in the New Millennium*, Center for U.S.-Mexican Studies, University of California

* Kristen Appendini (Ed.) (1999), *Economic Integration in NAFTA and the EU: Deficient Institutionalization*, New York & London: St. Martins

* Peter Coffey et al. (1999), *NAFTA: Past, Present and Future (International Handbooks on Economic Integration, V.2)*, pp.113-168, Hague, the Netherlands: Kluwer Academic Publishers

- Raymond B. Ludwizewski and Peter E. Seley (1996), 'Green Language in the NAFTA: Reconciling Free Trade and Environmental Protection in *NAFTA and the Environment*, pp.1-23 edited by Seymour J. Rubin & Dean C. Alexander, Hague, the Netherlands: Kluwer Law International

* Moon, Bruce E (1996), *Dilemmas of International Trade*, pp.134-48, Westview.

- Sundaram, Anant K. and Black, J. Stewart (1995), *The International Business Environment*, pp.87-9, Prentice Hall.

- Trebilcock, Michael J. and Howse, Robert (1995), The North American Free Trade Agreement (pp.45-48) in *The Regulation of International Trade*, Routledge
- Leyton-Brown, David (1994), The Political Economy of North American Free Trade in *Political Economy and the Changing Global Order* edited by Richard Stubbs and Geoffrey R.D. Underhill, MacMillan.
- Hufbauer, Gary Clyde and Schott, J.J. (1993), *NAFTA An Assessment*, Washington D.V: Institute for International Economics.

Week 11-12: Integrations in Asia

Readings

- * Masahisa Fujita, Koji Nishikimi, and Satoru Kumagai (2008), *Economic Integration in East Asia: Perspectives from Spatial and Neoclassical Economics*, Institute of Developing Economies and JETRO
- * Estrella D. Solidum (2004), *The Politics of ASEAN: An Introduction to Southeast Asian Regionalism*, International Specialized Book Services
- * Gerald Tan (2004), *ASEAN: Economic Development and Cooperation*, International Specialized Book Services
- * Helen Sharmini Nesadurai (2003), *Globalisation, Domestic Politics and Regionalism: the ASEAN Free Trade Area*, London: Routledge
- * Emiko Fukase & Will Martin (2000), *Free Trade Area Membership As a Stepping Stone to Development: the Case of ASEAN*, World Bank Discussion Paper, Washington: World Bank Publications
- Serafin D. Talisayon (1989), *Designing for Concensus: the ASEAN grid*, Institute of Southeast Asian Studies
- Ronald D. Palmer & Thomas J. Reckford (1987), *Building ASEAN: 20 years of Southeast Asian Cooperation*, Praeger Publishers

Week 13-14: Inter Regional Integration

Readings

- * Alfredo C. & Jr. Robles (2004), *The Political Economy of Interregional Relations: ASEAN and the EU*, Ashgate Publishing
- * Matthew McQueen (2002), *The EU's Free-trade Agreements with Developing Countries: A Case of Wishful Thinking?*, Oxford, UK: Blackwell Publishers Ltd.
- * Corrado G.M. Letta (2002), *ASEM's Future*, Bologna, Italy: Lo Scarabeo Editrice
- * Claudia Sanchez Bazo, (1999), *The European Union and Mercosur: a case of inter-regionalism*, Third World Quarterly, Vol.20, No 5, pp.927-941

Simonetta Verdi (1999), Political and Security Cooperation, Membership Enlargement and the Global Information Society: Agenda Solutions for ASEM III, Seoul: KIEP

* Drysdale, Peter and Garnaut, Ross (1989), A Pacific Free Trade Area? in *Free Trade Area and U.S. Trade Policy* edited by Schott, Jeffrey J., Institute for International Economics.

- Griffin, Ricky W. and Pustay, Michael W. (2003), *International Business: A Managerial Perspective*, pp. 257-64, Addison-Wesley Publishing Company

APEC Economic Committee (1997), *The Impact of Subregionalism on APEC*

_____ (1997), *Foreign Direct Investment and APEC Economic Integration*

- Hyungdo Ahn (1999), *APEC After 10 years: Is APEC Sustainable?*, Seoul: KIEP

- Chen Luzhi (1997), The Deepening of the Asia-Pacific economic Cooperation Process in *Building an Asia-Pacific Community: Development cooperation within APEC* edited by Andrew Elek, The foundation for Development Cooperation

- Elek, Andrew (1997), An Asia-Pacific model of development cooperation: Promoting economic and technical cooperation through APEC in *Building an Asia-Pacific Community: Development cooperation within APEC* edited by Andrew Elek, The foundation for Development Cooperation

Week 15: Final Examination