

**THE AMERICAN
BUSINESS SCHOOL
PARIS**

COURSE TITLE : **EVOLUTION OF WESTERN EUROPEAN ECONOMIC SYSTEMS**

COURSE NUMBER : ECO 460

CREDITS : 3

PREREQUISITES : ECO 110, ECO 120

SEMESTER HOURS : 45

OFFERED : SUMMER

COURSE DESCRIPTION :

This course offers an introduction to the economic systems and social policies of the 5 largest Western European nations : Germany, France, the United Kingdom, Spain, and Italy. These 5 countries, all members of the European Union, will be compared to determine whether a “Western European” model of economic and social development has emerged. To the degree that such a model exists, the question will be raised whether it can survive in changing world economic conditions.

INSTRUCTIONAL METHODOLOGY :

The course consists of class lectures, individual/group presentations on various assignments. Will be covered in class :

- a comparison of macroeconomic indicators and microeconomic competitiveness
- processes of industrialization in the 18th & 19th centuries; emergence of welfare states in the post-war era
- external borrowing and budget equilibrium; the reform of tax systems
- problems of monetary management in an interdependent world; the status of central banks
- state-supported R&D and industrial policies; state aids competition policy and the defense of national champions
- unemployment and the regulation of labor markets; the role of trade unions
- reforming health care systems; income support systems
- the necessary coordination of macroeconomic policies; relations with countries outside the European Union
- costs & benefits of EU membership in economic terms; development of Euro-wide industrial & social policies
- the remaining divisions (Atlantic versus rhine capitalism, North versus South) and the dominance of the German model

TEXT : *European Economies Since the Second World War*, Ed. Foley, St. Martin’s Press, New York, 1998

Students are also required to follow current events by reading *Business Week*, *The Economist*, *The Financial Times*, *The Wall Street Journal*, *Fortune*, and others

EVALUATION : 1/3 Mid-term examination; 1/3 research paper; 1/3 Final examination