



SYLLABUS

I. GENERAL DATA:

1.1. Course	:	ECONOMIC INTEGRATION
1.2. Course Code	:	NG 02604
1.3. Academic Cycle	:	VI
1.4. Credit Hours	:	03
1.5. Nature of the course	:	Mandatory
1.6. Weekly Hours	:	4 (2 Thoery - 2 Practice)
1.7. Prerequisite	:	Global Trade
1.8. Academic Semester	:	2006-II

II. SUMMARY:

This course provides a theoretical frame with respect to the processes of economic integration, its influence in trade exchange, and capital flows in a globalized world, so that the student will identify business opportunities and will analyze the availability to establish commercial relationships with the main trade blocks of the world, sustained by the many trade treaties or trade agreements in use nowadays. The content of this course provides with subjects related to economic integration and the main integration processes: Theories and approaches with the most important trade blocks of the world, conformation of trade blocks, general agreement on tariffs and trade, the world trade organization, economic globalization and its international trade blocks, and international Peruvian trade with the most relevant regional and sub regional trade blocks.

III. CAREER ASPECTS SUPPORTED BY THIS COURSE

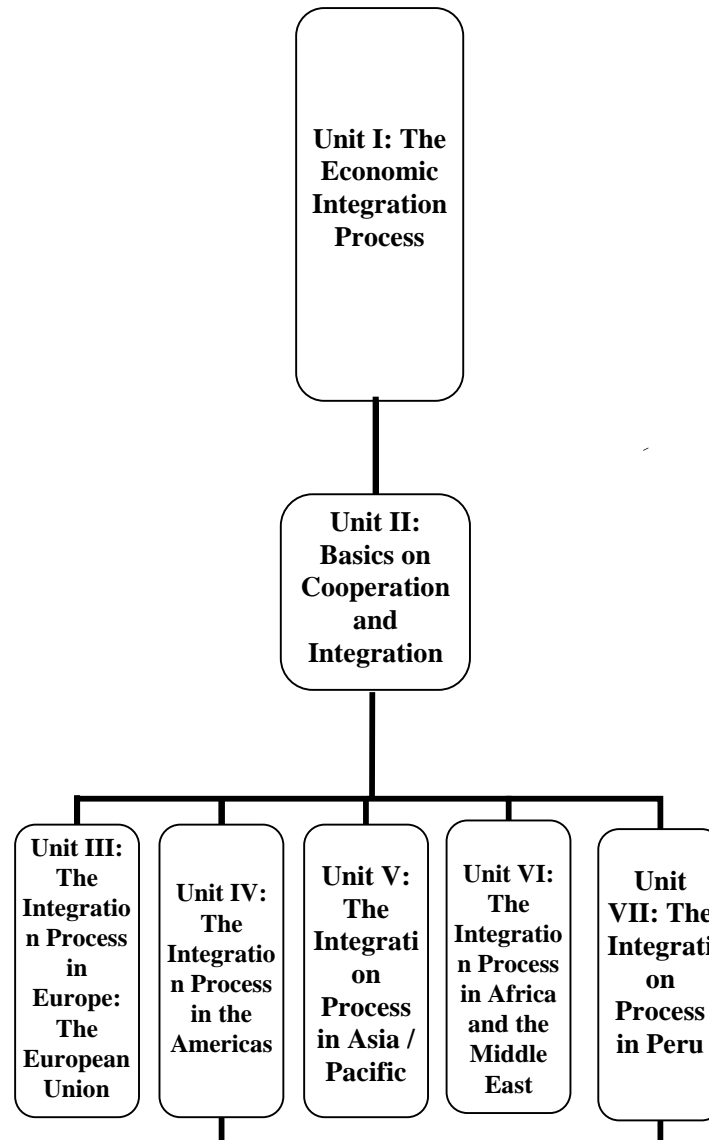
As an important part of the Global Business Administration career, the Economic Integration course aims to provide the student with the knowledge necessary for a broader perspective in international affairs between governments, institutions, markets, associations, and companies, creating treaties to eliminate barriers that restrain free trade, opening new paths for progress among nations. The “global business administrator” needs to have the capability to work out paths for easier economical fluidity in a very complex world, as well as the ability to critically analyze facts in an economic, political, social, and cultural diversity at an international level.

IV. COURSE OBJECTIVES

By the completion of the course, the student should be capable of the following:

1. To know the most important economic integration terms, as well as to understand the basic concepts, theories and principles.
2. To understand the importance of the many trade blocks in the world today.
3. To learn about the complex economic integration among European countries, pinpointing the remarkable success and advancement of the European Union’s institutions.
4. To learn and contrast the nature of economic integration in Europe, the Americas, Asia, The Pacific, Africa and The Middle East.
5. To interiorize into the economic reality of Peru, highlighting its Trade Promotion Agreement with the United States, as well as with APEC, and its upcoming treaties with other nations.

V. CHAPTER DEPENDENCY DIAGRAM



VI. LEARNING UNITS

UNIT I - THE ECONOMIC INTEGRATION PROCESS

Learning Objectives: To help the student understand the goals of trade blocks / economic groupings, as well as the levels of economic integration. To make the student realize why economic cooperation and integration are a means towards sustainable economic growth.

Number of Hours: 8

CONTENTS	ACTIVITIES	WEEK
Introduction to Economic Integration	Definition, concepts, and discussion. Seminar: Discussion on the basics of economic integration. Workshop.	1
The stages of the Economic Integration	Mechanism, levels, advantages and disadvantages. The State. Federation vs. Confederation. Supranational vs. Intergovernmental Seminar: Discussion on the stages of economic integration. Debate and workshop.	2

UNIT II - BASICS ON COOPERATION AND INTEGRATION

Learning Objectives: To inform the student about the first steps in economic integration history. To give the student the necessary elements to interpret the evolution of economic trade theories, and to understand the most important international organisms.

Number of hours: 8

CONTENTS	ACTIVITIES	WEEK
General Agreement on Tariffs and Trade: GATT	Beginnings and evolution. Objectives and Achievements. Rounds of negotiation: The Uruguay and The Doha Rounds. Seminar: Discussion on the various rounds mentioned in the theory class. Debate and workshop.	3
World Trade Organization: WTO	Beginnings and evolution. The Marrakech Agreement. Functions. Principles. GATT vs. WTO. GATS. TRIPS. Seminar: Case Study Investigation on a WTO related subject. Debate and Workshop.	4

UNIT III - THE INTEGRATION PROCESS IN EUROPE: THE EUROPEAN UNION

Learning Objectives: To analyze the evolution of the main economic integration processes in Europe, from the European Economic Community (EEC) to the European Union (EU).

Number of hours: 16

CONTENTS	ACTIVITIES	WEEK
History and evolution of European Economic Integration	Theoretical issues, founding members. Balassa's model. Functionalism and Neo-functionalism. Intergovernmentalism. Multi-level governance. Constitution vs. Treaty. EU: from a Customs Union to a Economic and Monetary Union. The Constitutional Treaty. The Reform Treaty. Seminar: The European Union between federation and confederation. Supranational Union. Debate and Workshop.	5
The European Institutions	Political Institutions: The European Council, The Council of the European Union (The Council of Ministers), The European Parliament, The European Commission. Non-Political Institutions: The European Court of Justice, The European Court of Auditors. Seminar: European Standards. Debate and Workshop.	6
EU Common Policies	The EU Competition Policy. The Lisbon Treaty. Seminar: The Bolkenstein Directive: Case Study and Workshop.	7
The Expansion of the European Union	First enlargements. Eastern enlargements. Conditions to enter the EU. Future enlargement. Seminar: The Schengen Agreement. Debate and Workshop.	8
Partial Exam		

UNIT IV - THE INTEGRATION PROCESS IN THE AMERICAS

Learning Objectives: To analyze the evolution of the main economic integration processes in the Americas.

Number of hours: 8

CONTENTS	ACTIVITIES	WEEK
Regional Integration in Latin America and the Caribbean	ALALC (as a model of the old regionalism) and the 1960 Treaty of Montevideo. ALADI (as a model of the new regionalism) and the 1980 Treaty of Montevideo. CAN. MERCOSUR. Achievements. Obstacles to regional integration. Other trade blocks: CARICOM Seminar: The economic theory of Raul Prebisch. Discussion and Workshop.	9
Regional Integration in North America	The history of NAFTA. Advantages and Controversies. Seminar: Debate on NAFTA. Workshop.	10

UNIT V - THE INTEGRATION PROCESS IN THE ASIA / PACIFIC

Learning Objectives: To analyze the evolution of the main economic integration processes in Asia and the Pacific region.

Number of hours: 8

CONTENTS	ACTIVITIES	WEEK
The Association of Southeast Asian Nations: ASEAN	The Asian model of integration through globalization. The beginnings: ANZ – CER (1983). The History of ASEAN / AFTA (1991) Seminar: The Bangkok Declaration. Debate and workshop.	11
Asia-Pacific Economic Integration: APEC	The History of APEC (1989). Controversies. SAARC – SAPTA (1993)	12

	Seminar: Debate on APEC and criticism. Workshop.	
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UNIT VI - THE INTEGRATION PROCESS IN AFRICA AND THE MIDDLE EAST

Learning Objectives: To analyze the evolution of the main economic integration processes in Africa and the Middle East.

Number of hours: 8

CONTENTS	ACTIVITIES	WEEK
African Regionalism	<p>The Economic Commission for Africa. The Old and New Regionalism. African Regional Groupings: The Southern African Development Community (SADC), The Economic Community of West African States (ECOWAS), The Common Market for Eastern and Southern Africa (COMESA). The Future of African Regional Integration: review of problems and prospects.</p> <p>Seminar: An analytical immersion into the subject of ECOWAS. Debate and Workshop.</p>	13
Integration in the Middle East	<p>The Council of Arab Economic Unity: CAEU. Objectives. The Agadir Agreement. The Greater Arab Free Trade Area (GAFTA).</p> <p>Seminar: The present economic integration of Iraq. Debate and Workshop.</p>	14

UNIT VII - THE INTEGRATION PROCESS IN PERU

Learning Objectives: To describe the mechanisms underlying the USA – Peru Trade Promotion Agreement as well as those concerning economic relations between Peru and the European Union.

Number of hours: 4

CONTENTS	ACTIVITIES	WEEK
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The Present Context of Peru	ATPDEA. Relations between Peru and The European Union. The Rome Declaration. USA-Peru Trade Promotion Agreement. Future potential agreements between Peru and other countries. Seminar: Discussion on Peru's free trade agreements. Critiques. Workshop.	15
Final Exam		16
Make – up Exam		17

VII. DIDACTIC TECHNIQUES APPLIED:

1. To encourage the active participation of students during lectures and seminars.
2. To motivate the discussion of recommended readings with the help of the lecturer.
3. To encourage research in each subject studied.
4. To contribute in developing individuality within class participation and choice making among students.
5. To encourage team work during seminars.

Materials:

Overhead projector, TV, video tapes, CD's, data display, transparencies, slides, markers, blackboard.

VIII. GRADING:

The final grade will be calculated using the following formula:

$$\text{Final Grade} = (\text{Parcial exam} + \text{Final exam} + \text{Practice Grade Average}) / 3$$

Where the Practice Grade Average = (Practice 1 + Practice 2 + Practice 3 + Practice 4) / 4.

IMPORTANT COURSE POLICY:

- ❖ It is **MANDATORY** to pass one out of the two exams in order to pass the course, if not complying with this pre-requisite, even if the Final Grade is higher than 11, the Final Grade will be rounded to 10.00.



- ❖ The passing grade in the course is **10.5**. A **10.4** or lower **WILL NOT BE CONSIDERED A PASSING GRADE**.
- ❖ Students who failed the course are allowed to take the make - up exam only if their Final Grade is not less than 07.
- ❖ If the student misses 1/3 or more of the overall course attendance, he/she **WILL NOT BE ALLOWED TO PASS THE COURSE**.
- ❖ **PERFECT ATTENDANCE POLICY:** Students that come to all classes throughout the semester will be rewarded with extra points at the end of the course.
- ❖ **CHEATING:** If found cheating during any of the exams, you will be severely penalized with a grade of **ZERO (00)** in the **ENTIRE COURSE**.

IX. BIBLIOGRAPHY:

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