

41032 - Politics and Economics of the European Union

Syllabus

Instructors: Carlo Altomonte (Bocconi University), Italo Colantone (Bocconi University)

Course objectives:

The course offers a perspective on European Union politics that is related to structural economic changes shaping EU society. Specifically, the course focuses on globalization, technological change, and the transition towards a greener economy. Such economic phenomena generate aggregate welfare gains at the country level, but induce also distributional effects that are socially and politically consequential.

The first part of the course will focus on the economic channels through which global processes are able to affect the economic growth of countries, comparing evidence from the EU with evidence from other relevant players such as the US and China. We will analyse, in particular, some micro-foundations of growth based on: (1) the actions of heterogeneous firms; (2) the extent to which processes of selection and reallocation of economic activities are able to shape the competitiveness of countries; (3) the relationship between globalization and economic growth; and (4) the behavioural responses of agents to economic shocks.

The second part of the course is dedicated to the analysis of the interplay between structural change and social and political outcomes in the European Union. In particular, we will be looking at the causal effects of globalization, technological change, and the green transition on the well-being of workers, and on political competition across the EU.

The courses will cover these key issues drawing from multiple fields of research, spanning economics, sociology, political science, and applied econometrics.

Expectations: By the end of this course, students should be knowledgeable on some of the current conceptual foundations, empirical regularities as well as the most important methodological tools involved in analysing how structural change affects different features of economic systems, along with social and political outcomes.

Examination arrangements: Students will be requested to develop a Referee Report's style paper discussing the strengths and limitations of an academic paper and providing suggestions for improvements. The evaluation will take into account the ability of students to analyse the conceptual and methodological framework, and to identify key weaknesses and possible areas of improvement of the considered paper.

Detailed Course Topics

Globalization and Growth: Theory and Measurement

N of Classes: 6

Instructor: C. Altomonte

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Altomonte, C., Barba-Navaretti, G., Di Mauro, F. and Ottaviano, G.I.P. (2011) "Assessing competitiveness: how firm-level data can help", Bruegel Policy Contribution 2011/16.

Altomonte, C., Aquilante, T., Békés, G. and Ottaviano, G.I.P. (2013), "Internationalization and innovation of firms: evidence and policy", Economic Policy, vol. 28(76): 663-700.

Altomonte, C., and Di Mauro, F. (2022), The Economics of Firms' Productivity, Oxford University Press.

Dorn, D. (2017) "Commentary: The Impact of Trade on Inequality in Developing Countries", Proceedings of the Jackson Hole Symposium, 115-128.

Melitz, M. (2003), The Impact of Trade on Intra-Industry Reallocation and Aggregate Industry Productivity, Econometrica, 71:1695-1725.

Globalization, Structural Change, Health and Politics

N of Classes: 6

Instructor: I. Colantone

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I. COLANTONE, L. DI LONARDO, M. PERCOCO, Y. MARGALIT (2023), The Political Consequences of Green Policies: Evidence from Italy, American Political Science Review, forth..

I. COLANTONE, R. CRINÒ, L. OGLIARI (2019), Globalization and Mental Distress, Journal of International Economics, 119: 181-207.

I. COLANTONE, P. STANIG (2019), The Surge of Economic Nationalism in Western Europe, Journal of Economic Perspectives, 33: 128-151.

I. COLANTONE, P. STANIG (2018a), Global Competition and Brexit, American Political Science Review, 112: 201-218.

I. COLANTONE, P. STANIG (2018b), The Trade Origins of Economic Nationalism: Import Competition and Voting Behavior in Western Europe, American Journal of Political Science, 62: 936-953.

M. ANELLI, I. COLANTONE, P. STANIG (2021), We Were the Robots: Automation and Voting Behavior in Western Europe, PNAS – Proceedings of the National Academy of Sciences.