University of Ulm
Summer School
June 25th to July 19th, 2007

Part II: European Institutions, EU policies, economic and monetary process
Department of Economic Policy

1. Introduction

- Special insights into the bank system
- Interaction of the European Union with member states and the enlargement of the Community
- Information about recent fields of discussion and research (environmental issues, Corporate Governance)

1. Introduction

- The process of reconstruction and economic development in the decades after the World War II: Europe and Germany
- Discussion of the establishment of the economic integration with special regard to industrial & trade policy
- Shaping and development of European Institutions (Commission, Council, Parliament and Court)
- The “long way” to the establishing of a monetary union

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<td>U. Schönmann</td>
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<td>Thu, July 19</td>
<td>Written Examination</td>
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1. Introduction

All information about this course (Part II) on our website:

http://www.mathematik.uni-ulm.de/wipo/index.eng.html

- Handouts of all sessions
- Compulsory attendance
- Written exam with 12 questions

1. Introduction

Christian Peukert, Kai Kohler
Journey through Europe
We will provide students with basic information about the members of the European Union, e.g. culture, sights, languages, geography.

2. Germany - An Introduction

Daniel Lippold
This lecture provides information for a more detailed discussion of the German development during the last decades. It gives basic facts about the country, the political issues and the political system. Students should be enabled to understand and characterize current developments in Germany.

3. European Union: An Overview

Prof. Dr. Werner Smolny
From Reconstruction to Economic, Monetary and Political Integration
We will give an introduction to the process of European Integration, starting at the end of World War II and ending with future perspectives. Since the speaker is an economist, the focus will be on economics.

4. Economic Integration

Corinna Kuehn
The aim of this session is to provide students with an analysis of the theory of economic integration within the European context. It will provide an understanding of basic objectives and the structure of the process of economic integration in Europe. Main elements of this session are:
- A discussion of the motives, aims and forms of integration
- A detailed explanation of the different levels of the integration process (free trade area, customs union, common Market, economic union, political union)
- Effects of economic integration (static and dynamic) and benefits of a single market and a discussion of the internal market

5. Germany - From Cold War to the breakdown of the Iron Curtain

Johanna Haccius
From Cold War to the breakdown of the Iron Curtain
We will give an overview of the development in Germany in the last 60 years. Starting from reconstruction after World War II, we go ahead with a discussion of the development in West and East Germany before and after German unification.

6. The System of Institutions within the European Union

Michael Demuth
This lecture should make the students familiar with the fundamental organs of the EU. In addition to their composition and other basic facts, responsibilities of each institution as well as their interaction (e.g. in the decision-making process) will be clarified. The talk will give an understanding of what major changes (improvements?) Europe’s Constitution may come up with.
1. Introduction

7. Monetary Integration
Michael Möhnle

The aim of this section is to discuss the theory of monetary integration within the European context and to provide an understanding of the main macroeconomic costs and benefits of a monetary union. The main elements of this session are:
- The European Monetary System (basics and historical background)
- Stages of the European Monetary System and its assessment
- A discussion of costs and benefits of a single currency
- Theory of optimum currency areas and its application to the European Union
- A discussion of the convergence criteria and perspectives of the Monetary Union

8. ECB & Fed - A comparison
Carola Sturm

The aim of this session is to provide students with information about the Monetary Institutions in the European Union and the United States. We will compare the different strategies of monetary policy and search for an explanation of these different strategies.

9. Enlargement of the EU: The Accession of Turkey
Önder Kurt

In this session you will get an overview about the enlargement of the EU, particularly with regard to the Accession of Turkey. Accession negotiations with Turkey opened in October 2005 as unanimously agreed by the Member States, providing further encouragement for political and economic reform in these countries and for good relations with their neighbours. They are conducted on the basis of clear and rigorous negotiating frameworks. The pace of negotiations depends on the pace of reforms on the ground.

10. Globalization – Chances and Risks
Dr. Christopher Stehr

Three essential questions are going to be discussed in the lecture “Globalization - Chances and Risks”: First of all we are trying to find answers to the question: What is Globalization? The second relevant question due to the complex subject globalization is: Who makes Globalization? And the third issue will be: If the process of Globalization on its own is designable?

11. European Environmental Policy
Kathrin Dengler

Starting with a discussion about the necessity of a common environmental policy, we will establish its legal basis in Europe. Then we will define and examine key instruments available to protect our environment. A critical evaluation of what has been accomplished so far is followed by an outlook into the future, completing this brief insight into European environmental policy.

12. Corporate Governance and Private Benefits of Control
Ulf Schönmann

The British City Code and the German Corporate Governance Codex play a major role for European public corporations. The key regulations of those codes will be presented as well as the major corporate governance scandals which triggered the corporate governance discussion. Finally it will be shown how bad corporate governance leads to private benefits of control, benefits of controlling shareholders at the cost of small shareholders.

13. Written Examination

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Introduction – Journey through Europe

By Kai Kohler, Christian Peukert
Quiz – The Answers

A) General questions

Which country in the EU has the largest area?

Surface area in 2001, measured in thousands of square kilometres

Which country in the EU has the highest population?

Population on 1 January 2004, measured in millions of people
A) General questions

Which members of the EU do not use the currency Euro?

- United Kingdom
- Denmark
- Sweden
- Poland
- Czech Republic
- Malta
- Cyprus
- Hungary
- Latvia
- Lithuania
- Estonia
- Slovakia

B) Famous People

Do you know these VIPs? Please, note their names and their home country.

Queen Elizabeth II  Great Britain
Jürgen Klinsmann  Germany
Audrey Tautou  France
The Kaczyński Twins  Poland
B) Famous People

Christopher Columbus
Italy

Bono (U2)
Ireland

C) Gossip

1) Where was Albert Einstein born?
   (country / town)

   Germany, Ulm

2) In which country were held the first modern Olympic Games start (1896)?

   Greece, Athens

C) Gossip

3) Which population drinks most liter of beer?
   Make an approximation!
   The Czech Republic is the leading beer consumer per capita with 160 liters

C) Gossip

4) In which country were invented the
   a) French fries, Belgium
   b) car, Germany
   c) pizza, Italy
5) In which country do people drive on the left hand side?

a) Greece  
b) Estonia  
c) Malta  
d) The Netherlands  
e) Portugal

C) Gossip

D) Buildings

a) The Eiffel Tower  
b) Sagrada Familia

c) Buckingham Palace  
d) Brandenburg Gate

e) Colosseum  
f) Neuschwanstein Castle
E) European Union

12) Who is the President of the European Commission?
   Which nationality does he have?
   
   José Manuel Barroso, Portugal

13) Do you know the six original members of the EEC?
   
   Belgium, The Netherlands, Luxembourg, France, Italy, Germany

14) When did the foundation take place? How is the agreement called?
   
   In 1957, Treaty of Rome

15) Name the three main institutions!
   
   - the Council of the European Union (representing the member states);
   
   - the European Parliament (representing the citizens); and
   
   - the European Commission (a politically independent body that upholds the collective European interest).
### France

<table>
<thead>
<tr>
<th>Location:</th>
<th>Western Europe, between Belgium and Spain, southeast of the UK;</th>
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</thead>
<tbody>
<tr>
<td>Capital:</td>
<td><strong>Paris</strong></td>
</tr>
<tr>
<td>Area:</td>
<td>total: 547,030 sq km</td>
</tr>
<tr>
<td>Area - comparative:</td>
<td>slightly less than twice the size of Colorado</td>
</tr>
<tr>
<td>Geography - note:</td>
<td>largest West European nation</td>
</tr>
<tr>
<td>Language(s):</td>
<td>French 100%, rapidly declining regional dialects and languages (Provencal, Breton, Alsatian, Corsican, Catalan, Basque, Flemish)</td>
</tr>
<tr>
<td>Population:</td>
<td>60,656,178 (July 2005 est.)</td>
</tr>
</tbody>
</table>

### Italy

| FACTS: | | |
|--------|-----------------------------------------------|
| Capital: | **Rome** |
| Area: | total: 301,230 sq km |
| Area - comparative: | slightly larger than Arizona |
| Language(s): | Italian (official), German (parts of Trentino-Alto Adige region are predominantly German speaking), French (small French-speaking minority in Valle d’Aosta region), Slovene (Slovene-speaking minority in the Trieste-Gorizia area) |
| Population: | 58,103,033 (July 2005 est.) |
| Climate: | predominantly Mediterranean; Alpine in far north; hot, dry in south |
| Location: | Southern Europe, a peninsula extending into the central Mediterranean Sea, northeast of Tunisia |
**United Kingdom**

**Location:** Western Europe, islands including the northern one-sixth of the island of Ireland between the North Atlantic Ocean and the North Sea, northwest of France.

The UK has four constituent parts. Three of these — the ancient nations of England, Wales and Scotland — are located on the island of Great Britain. The fourth part is Northern Ireland, which is located on the island of Ireland.

**FACTS:**
- **Capital:** London
- **Area:** total: 244,820 sq km
- **Area - comparative:** slightly smaller than Oregon
- **Language/s:** English, Welsh (about 26% of the population of Wales), Scottish form of Gaelic (about 60,000 in Scotland),
- **Population:** 58,103,033 (July 2005 est.)
- **Climate:** temperate; moderated by prevailing southwest winds over the North Atlantic Current; more than one-half of the days are overcast

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**Sweden**

**Location:** Northern Europe, bordering the Baltic Sea, Gulf of Bothnia, Kattegat, and Skagerrak, between Finland and Norway.

**FACTS:**
- **Capital:** Stockholm
- **Area:** total: 449,964 sq km
- **Area - comparative:** slightly larger than California
- **Language/s:** Swedish, small Sami- and Finnish-speaking minorities
- **Population:** 9,001,774 (July 2005 est.)
- **Climate:** temperate in south with cold, cloudy winters and cool, partly cloudy summers; subarctic in north
**Sweden**

**FACTS:**
- **Capital:** Stockholm
- **Area:** total: 449,964 sq km
- **Language/s:** Swedish
- **Population:** 10,383,847
- **Climate:** temperate; wet winters; hot, dry summers

**Spain**

**FACTS:**
- **Capital:** Madrid
- **Area:** total: 504,782 sq km
- **Languages:** Castilian Spanish 74%, Catalan 17%, Galician 7%, Basque 2%; Castilian is the official language nationwide, the other languages are official regionally
- **Population:** 40,341,462 (July 2005 est.)
- **Climate:** temperate; clear, hot summers in interior, more moderate and cloudy along coast;

**Greece**

**FACTS:**
- **Capital:** Athens
- **Area:** 131,940 sq km
- **Language/s:** Greek 99% (official), English, French
- **Population:** 10,665,989
- **Climate:** temperate; mild, wet winters; hot, dry summers
Greece

Location: Western Europe, bordering the North Sea, between France and the Netherlands

Facts
- Capital: Athens
- Area (sq km): 30,528
- Area – comparative: about the size of Maryland
- Language: Greek (national language), English (administrative language)
- Population: 10,364,388

Belgium & Luxembourg

Belgium & Luxembourg

Location: Western Europe, bordering the North Sea, between Belgium and Germany

Facts
- Capital: Brussels
- Area (sq km): 30,528
- Area – comparative: about the size of Maryland
- Language: Dutch (official), French (official), German (official), less than 1%, legally bilingual (Dutch and French)
- Population: 10,364,388

The Netherlands

FACTS:
- Capital: Amsterdam, The Hague is the seat of government
- Area: total: 41,526 sq km
- Area – comparative: slightly less than twice the size of New Jersey
- Language/s: Dutch (official), Frisian (official)
- Population: 16,407,491 (July 2005 est.)
- Climate: temperate, marine, cool summers and mild winters

Location: Western Europe, bordering the North Sea, between Belgium and Germany

FACTS:
- Capital: Amsterdam, The Hague is the seat of government
- Area: total: 41,526 sq km
- Area – comparative: slightly less than twice the size of New Jersey
- Language/s: Dutch (official), Frisian (official)
- Population: 16,407,491 (July 2005 est.)
- Climate: temperate, marine, cool summers and mild winters

Location: Western Europe, bordering the North Sea, between Belgium and Germany
The Netherlands

Location: Central Europe, north of Italy and Slovenia

Austria

FACTS:
Capital: Vienna
Area: total: 83,870 sq km
Area - comparative: slightly smaller than Maine
Language: German (official nationwide), Slovene (official in Carinthia), Croatian (official in Burgenland), Hungarian (official in Burgenland)
Population: 8,184,691 (July 2005 est.)
Climate: temperate; continental, cloudy; cold winters with frequent rain and some snow in lowlands and snow in mountains; moderate summers with occasional showers

Baltic States

Location: Eastern Europe, bordering the Baltic Sea
### Baltic States

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<th>Latvia</th>
<th>Lithuania</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital</td>
<td>Tallinn</td>
<td>Riga</td>
<td>Vilnius</td>
</tr>
<tr>
<td>Area (sq km)</td>
<td>45,226</td>
<td>64,589</td>
<td>65,200</td>
</tr>
<tr>
<td>Area-comparativ</td>
<td>slightly smaller than New Hampshire and Vermont combined</td>
<td>slightly larger than West Virginia</td>
<td>slightly larger than West Virginia</td>
</tr>
<tr>
<td>Languages</td>
<td>Estonian (official), Russian, Ukrainian, Finnish, other</td>
<td>Latvian (official), Lithuanian, Russian, other</td>
<td>Lithuanian (official), Polish, Russian</td>
</tr>
<tr>
<td>Population (July 2005 est.)</td>
<td>1,332,893</td>
<td>2,290,237</td>
<td>3,596,617</td>
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### New members of the EU

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<th>Facts</th>
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<th>Czech Republic</th>
<th>Hungary</th>
<th>Slovakia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital</td>
<td>Warsaw</td>
<td>Prague</td>
<td>Budapest</td>
<td>Bratislava</td>
</tr>
<tr>
<td>Area (sq km)</td>
<td>312,685</td>
<td>78,866</td>
<td>93,030</td>
<td>48,845</td>
</tr>
<tr>
<td>Area-comparativ</td>
<td>slightly smaller than New Mexico</td>
<td>slightly smaller than South Carolina</td>
<td>slightly smaller than Indiana</td>
<td>about twice the size of New Hampshire</td>
</tr>
<tr>
<td>Language</td>
<td>Polish</td>
<td>Czech</td>
<td>Hungarian</td>
<td>Slovak (official), Hungarian</td>
</tr>
<tr>
<td>Population (July 2005)</td>
<td>38,635,144</td>
<td>10,241,138</td>
<td>10,006,835</td>
<td>5,431,363</td>
</tr>
</tbody>
</table>
New members of the EU

Other members of the EU

Conclusion

- uniting a once-divided continent
- 25 members, 20 different official languages
- a peaceful, stable and democratic Europe
- single market of nearly half a billion consumers