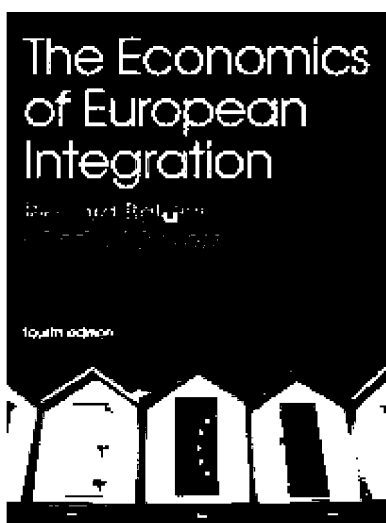


THE ECONOMICS OF EUROPEAN INTEGRATION

**Richard Baldwin, Charles Wyplosz, Fourth
Edition, McGraw-Hill Education, 2012**

Sandro Čošabić¹



And what is the plight to which Europe has been reduced?...over wide areas a vast quivering mass of tormented, hungry, care worn and bewildered human beings gape at the ruins of their cities and their homes, and scan the dark horizons for the approach of some new peril, tyranny or terror. That is all that Europeans, grouped in so many ancient states and nations... have got by tearing each other to pieces and spreading havoc far and wide.

Yet all the while there is a remedy... It is to re-create the European Family, or as much of it as we can, and to provide it with a structure under which it can dwell in peace, in safety and in freedom. We must build a kind of United States of Europe.

Winston Churchill, Zurich, 19 September 1946²

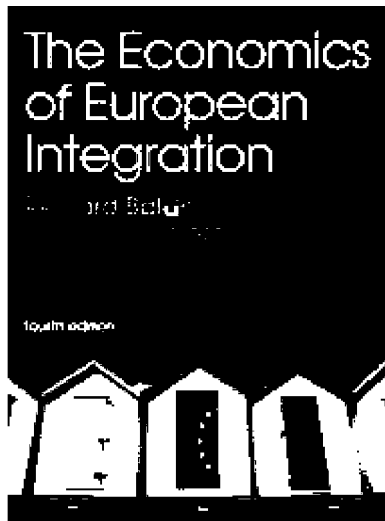
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² Baldwin, R., Wyplosz, C: The Economics of European Integration, McGraw-Hill Education, 2012, p. 3;

EKONOMIJA EVROPSKIH INTEGRACIJA

Richard Baldwin, Charles Wyplosz, četvrto izdanje, McGraw-Hill Education, 2012

Sandro Čošabić¹



I u kakvo je to stanje Evropa bila svedena?... Preko širokih područja ogromna drhtava masa izmučenih, gladnih, zabrinutih i zbunjenih ljudi kojii zure u ruine svojih gradova i domova i prate tamne horizonte, očekujući neku novu opasnost, tiraniju i teror... To je sve što imaju Evropljani, grupisani u tako mnogo drevnih država i nacija...uporno se boreći jedni protiv drugih i šireći razaranje na sve strane.

Ipak, postoji i rješenje... Treba ponovo stvoriti evropsku porodicu, ili koliko god od nje je moguće, sa strukturom u kojoj će ona moći da bude u miru, sigurnosti i slobodi. Moramo da izgradimo neku vrstu Sjedinjenih država Evrope.

Winston Churchill, Ciri, 19. septembar 1946²

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² Baldwin, R., Wyplosz, C.: The Economics of European Integration, McGraw-Hill Education, 2012, p. 3; Iz obraćanja Winston-a Churchill-a: http://www.cvce.eu/en/obj/address_given_by_winston_churchill_zurich_19_september_1946-en-eacb02e7-ea6b-4299-aa43-10819f0d44bf.html

The Economics of European Integration, Fourth Edition, published by McGraw-Hill Education in 2012 is a valuable contribution to the literature in the area of European economic integration.

As the authors mention in a preface: “the goal of the book is to provide an accessible presentation of the facts, theories, policies and controversies that are necessary to understand Europe’s economic integration process”. Building on historical and political background necessary to explain (not only) the beginning of the integration process, authors combine both micro-economic and macroeconomic aspects and policies of the European integration. The final result is an accessible introductory book not only for students taking courses on European (economic) integration, but for other interested audience as well. The whole text does not require much prior economic knowledge and many chapters are self-contained in the sense that provide most of the necessary economics.

The book consists of 5 parts and 19 chapters. Table of contents, as well as a sample chapter are available on the internet³. Each chapter ends with summary, self-assessment questions, essay questions and further reading suggestions. Online learning center⁴ provides additional useful resources, such as chronology, self-test quizzes, power point presentations and glossary.

This edition contains numerous changes and additions; some parts of the book are new, some rewritten. Let us mention only a couple of them:

- The Lisbon Treaty has been integrated into the text: one of important changes was the elimination of the three-pillar structure by integrating Justice and Home affairs - the third pillar - into the first one, creating the two - pillar structure: a supranational and an intergovernmental. Other changes, just to name a few, such as new posts of the President of the European Council, the High Representative of the Union for Foreign Affairs and Security Policy, and a new umbrella organization - the Court of Justice of the European Union - have also been introduced to readers.
- Chapter 19 is new, dedicated to the Eurozone crisis and can be interesting not only to students and economists, but to broader audience interested in this subject as well.
- Chapter 15 is dedicated to the theory of optimum currency area (OCA). It was present in the previous edition but is mentioned here because it remains very interesting and is connected to the chapter dedicated to the Eurozone crisis. Decision to create euro was based on both political and

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3 http://highered.mheducation.com/sites/007713172x/information_center_view0/index.html

4 http://highered.mheducation.com/sites/007713172x/student_view0/index.html

Ekonomija evropskih integracija, četvrto izdanje, koju je objavio McGraw-Hill Education 2012. godine predstavlja vrijedan diprinos literaturi iz oblasti evropske ekonomske integracije.

Kao što autori navode u predgovoru: 'cilj ove knjige je da pruži pristupačan prikaz činjenica, teorija, politika i kontroverzi potrebnih da bi se shvatio proces evropske ekonomske integracije.' Uzimajući za polaznu osnovu istorijski i politički osvrt koji je nužan kako bi se objasnio (ne samo) početak integracionog procesa, autori kombinuju i mikroekonomski i makroekonomski aspekt i politike evropske integracije. Konačan rezultat je pristupačna uvodna knjiga ne samo za studente koji slušaju predmete iz oblasti evropskih (ekonomskih) integracija, nego i za druge zainteresovane čitaoce. Kompletan tekst ne zahtijeva mnogo prethodnog ekonomskog znanja i mnoga poglavlja su sama za sebe dovoljna u smislu da pružaju većinu neophodnih znanja iz ekonomije.

Knjiga se sastoji od 5 dijelova i 19 poglavlja. Sadržaj, kao i ogledno poglavlje su dostupni na internetu.³ Svako poglavlje se završava kratkim pregledom, pitanjima za samoocjenu, pitanjima za esej i prijedlozima za dalje čitanje. Centar za učenje putem interneta⁴ pruža dodatne korisne izvore, kao i hronologiju, kviz za samotestiranje, power point prezentacije i indeks pojmova.

Ovo izdanje sadrži brojne izmjene i dodatke; neki dijelovi knjige su novi, neki prerađeni. Spomenućemo samo nekoliko njih:

- Lisabonski sporazum je uključen u tekst: jedna od bitnih promjena se odnosi na ukidanje strukture sa tri stuba putem objedinjavanja saradnje u oblasti pravosuđa i unutrašnjih poslova - trećeg stuba - u prvi, te tako stvarajući strukturu od dva stuba: međuvladin i nadnacionalni. Druge promjene, a navešćemo samo neke, kao što su predsjednik Evropskog vijeća, Visokog predstavnika Unije za inostrane poslove i poslove sigurnosti, te nova krovna organizacija – Sud pravde Evropske unije – su takode predstavljeni čitaocima.
- Poglavlje 19 je novo, posvećeno krizi u eurozoni, i može biti interesantno ne samo studentima i ekonomistima, već i široj čitalačkoj publici koju zanima ova oblast.
- Poglavlje 15 se odnosi na teoriju optimalnog valutnog područja ('OVP). Ovo poglavlje je bilo prisutno i u prethodnom izdanju, ali je ovdje spomenuto jer je još uvijek veoma zanimljivo te povezano s poglavljem koje se odnosi na krizu u eurozoni. Odluka da se kreira evro bila je zasnovana i na političkim i ekonomskim argumentima. Analizirajući pojedine kriterije (mobilnost radnika, diverzifikacija proizvodnje, otvorenost, fiskal-

³ http://highered.mheducation.com/sites/007713172x/information_center_view0/index.html

⁴ http://highered.mheducation.com/sites/007713172x/student_view0/index.html

economic arguments. Analyzing individual criteria (labor mobility, production diversification and trade dissimilarity, fiscal transfers, homogeneous preferences and solidarity) in order to check whether the Eurozone meet them, the authors conclude: "...the partial fulfillment of the OCA implies that, given that the decision to go ahead has been taken, there will be costs. The OCA theory identifies these costs and suggests two main conclusions: the costs will mainly arise in the labor markets and fiscal transfers will have to be rethought"⁵.

This is a very good introductory text, although less demanded than, for example, another good book on the same subject – *European Integration – Methods and Economic Analysis*⁶ by Jacques Pelkmans, but better than the previous edition - and worth every penny.

5 Baldwin, R., Wyplosz, C: The Economics of European Integration, McGraw-Hill Education, 2012, p. 425

6 Pelkmans, J., European Integration – Methods and Economic Analysis, Third Edition, FT Prentice Hall, 2006

ni transferi, homogenost preferencija te solidarnost) kako bi se provjerili da li ih eurozona ispunjava, autori zaključuju: ‘... djelimično ispunjavanje uslova OVP podrazumijeva da, s obzirom da je donesena odluka da se krene dalje, pojaviće se i troškovi. Teorija OVP identifikuje ove troškove i predlaže dva osnovna zaključka: troškovi će se uglavnom javiti na tržištu rada, a o fiskalnim transferima će se morati ponovo razmisliti’⁵.

Ovo je veoma dobar uvodni tekst, mada manje zahtjevan od, recimo, druge dobre knjige o istoj temi – ‘Evropska integracija – metode i ekonomska analiza’ koju je napisao Jacques Pelkmans⁶, ali bolja od svog prethodnog izdanja – te vrijedna svake uložene marke.

5 Baldwin, R., Wyplosz, C.: *The Economics of European Integration*, McGraw-Hill Education, 2012, p. 425

6 Pelkmans, J., *European Integration – Methods and Economic Analysis*, Third Edition, FT Prentice Hall, 2006