COURSE TITLE: ECONOMIC INTEGRATION

COURSE CODE: ECON 3020

LEVEL: UNDERGRADUATE LEVEL (FINAL YEAR)

NO OF CREDITS: 3

PREREQUISITES: ECON 2000, ECON 2002

COURSE DESCRIPTION / RATIONALE:

This course seeks to provide students with a relatively strong foundation in integration theory measurement and policy. The materials will be delivered via a series of face to face lectures and supported by structured tutorials. The course will discuss the critical theoretical concepts in integration developed by Balassa, Bhagwati, Panagariya, Cooper-Masell, Johnson and Demas. The course will review as far as possible integration experiences in the Caribbean Community (CARICOM), the Organization of Eastern Caribbean States (OECS), with emphasis on the EU-CARIFORUM Agreement.

The course will be assessed via an in-course project and a final examination. The project will account for 40% of the overall course grade.

Economic Integration is a course that is no doubt aligned to the Department’s mission of delivering quality research and teaching of the economics of development for small island states as it focuses the case study aspect of the course on such economies. Even further than this it is expected that the mode of the delivery of the course material would allow for healthy discussions on region specific issues as it applies to the course.

PURPOSE OF THE COURSE

The purpose of the course is to highlight some of the important trade matters affecting the region and which are currently taking place at regional, hemispheric and global levels.

The course offers practical interaction of theory via the case studies discussed in the classroom. Indeed such a course which is regional in scope is practical and useful to young economists in developing their knowledge base of the region.

This is a third year undergraduate course and is geared to those students who have a general interest and affinity for international trade.

INSTRUCTOR'S INFORMATION

LECTURERS: Dr. Roger Hosein and Ms. Rebecca Gookool

LECTURER's OFFICE: Room 2018 Social Sciences – Office Hours to be announced.

LECTURER’s EMAIL: Roger.Hosein@sta.uwi.edu; Rebecca.gookool@sta.uwi.edu

LECTURER’s PHONE CONTACT: 662-2002 EXT 3041
COMMUNICATION POLICY: The preferred mode of communication is via email.

LETTER TO THE STUDENT

Dear Students,

Economic Integration is a course that will allow you to get a better understanding of practical issues facing the Caribbean region.

This course is going to be very interactive and it will be to your benefit to participate during lectures as your questions is what will guide the sessions and make the class more interesting. The lecturer will apply the material and techniques taught to issues relating to the realities of the region.

Note that your success with the material depends on you. Welcome to Economic Integration. I look forward to your participation and engagement.

CONTENT

1. Macroeconomic overview of the international, regional and global economy in the context of the economic slowdown.
2. Theoretical fundamentals of economic integration, including the Cooper Massel condition
3. Economic Integration through Sports: Olympics, Athletics and building social cohesion in CARICOM.
4. Case Studies of Select Integration Experiences: OECS, CARICOM, EU-CARIFORUM EPA
5. Gains from Economic Integration and Measurements of the Effects of International Integration
6. Economic Integration and the informal sector: The role of Informal commercial importers: Case Caribbean Higglers.
7. Growth, structural change and vulnerability, in CARICOM countries.
10. EU-CARIFORUM: some salient factors affecting trade and competitiveness.
11. Trade policy, integration and growth in the Caribbean.
12. CSME and the intra-regional migration of nurses: some proposed opportunities.
13. The future of CARICOM in a globalizing world.

GOALS/AIMS

To equip students with an adequate set of tools; theoretic and practical; to understand regional
trading blocs.

**GENERAL OBJECTIVES**

To simplify the theory of regional integration into practical easy to follow steps.

**TOPIC OBJECTIVES/LEARNING OUTCOMES**

By the end of the courses students will be able to:

1. Demonstrate an appreciation for the regional integration issues as it affects the Caribbean development.
2. Demonstrate an appreciation for discussions on regional integration and trade related challenges facing the Caribbean region.

**ASSIGNMENT**

Students will also be required to undertake a project

The Project questions are as follows:

1) Is the Economic Partnership Agreement a return and or an extension of the policy of imperial preference practiced and pursued by the British Empire during the 19th Century? Justify your answer using tables and graphs as far as possible.
2) What is the muscovado bias? Does the Economic Partnership Agreement between the EU and the CARIFORUM economies carry an element of muscovado bias to it? Justify your answer using tables and graphs as far as possible.
3) Using any model of your choice, calculate the welfare effect for any of the listed CARIFORUM Economies of the recently signed Economic Partnership Agreement. (Guyana, Barbados, Trinidad and Tobago)
4) Evaluate the impact of the EU-CARIFORUM Economic Partnership Agreement on the growth prospects of any CARIFORUM Economy and as part of your discussion illustrate how the EU-CARIFORUM Economic Partnership Agreement impacted CARIFORUM Trade with the EU.
5) Evaluate the actual and potential impact of the EU-CARIFORUM Economic Partnership Agreement on the Food Security situation in five CARIFORUM Economies (inclusive of the Dominican Republic). Substantiate your answer as far as possible.

**COURSE ASSESSMENT**

20% Course work project
80% Final Examination
EVALUATION

The lecturer is available during the designated office hours to meet with students on course related matters. Even further than this students can email lecturer regarding issues and challenges faced. The lecturer will assist as far as possible with these challenges as required in the classroom and otherwise.

TEACHING STRATEGIES

The mode of teaching will be via face to face lectures and tutorials sessions. Cases and group discussions will also be used.

RESOURCES

Lecture notes will be provided to the class via the online course profile. Readings from texts are also provided.

READINGS

Recommended and General Texts on Integration
Tewarie B. and Hosein R, (2007), Trade Investment and Development in the Contemporary Caribbean, Ian Randle.
### COURSE CALENDAR

<table>
<thead>
<tr>
<th>Topic</th>
<th>Reading</th>
<th>Week</th>
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</thead>
</table>
| Overview and introduction to course.  
| Case Studies of Select Integration Experiences: OECS, CARICOM, EU- | i. Baier, Scott L. and Jeffrey H. Bergstrand (2007), “Do free trade agreements actually increase members' international trade?”, *Journal of International Economics* vol. 71 Iss. 1, March. | 4 |
### CARIFORUM EPA


#### Learning Outcome
The student will be able to assess the performance of various forms of integration arrangements.

### Gains from Economic Integration and Measurements of the Effects of International Integration


#### Learning Outcome
The student will have an appreciation for the importance of international growth spillovers in developing countries growth with particular reference to the CARICOM region.

### Economic Integration and the informal sector: The role of Informal commercial importers: Case Caribbean Higglers

- ILO (2001), Booklet 4, Organizing the unorganized informal economy and other unprotected workers.

#### Learning Outcome
The student will have a working understanding of the dynamics of informal commercial importers in the Caribbean and the implications for regional integration.

### Growth, structural change and vulnerability, in CARICOM countries

### Learning Outcome

The student will have an understanding of the peculiarities of Caribbean economies in terms of their inherent vulnerabilities, trade and growth.

### Assessing the welfare impact of the EU-CARIFORUM economic partnership agreement: the implications for policy in CARIFORUM economies.


### CARIFORUM Economies: Factors affecting food security.


4. Sun, Lin and Michael R. Reed (2010), "Impacts of Free Trade Agreements on Agricultural Trade Creation and Trade Diversion", *American Journal of Agricultural Economics*, vol. 92, Iss. 5.

### EU-CARIFORUM: some salient factors affecting trade and competitiveness.


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<table>
<thead>
<tr>
<th>Learning Outcome</th>
<th>Reading Material</th>
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<tbody>
<tr>
<td>The student will have an understanding of some of the basic technical skills for assessing the impact of trade agreements on countries with particular reference to the EU-CARIFORUM EPA and the CARICOM-Canada FTA.</td>
<td>Greenaway D., and Milner C., (2003), “A Grim REPA”</td>
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<tr>
<td>Trade policy, integration and growth in the Caribbean</td>
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**Learning Outcome**  
The student would have an understanding of the link between regional integration and economic growth.

<table>
<thead>
<tr>
<th>CSME and the intra regional migration of nurses: some proposed opportunities</th>
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<tbody>
<tr>
<td>v. Yan, J. 2004. Managed Migration of Skilled Nursing Personnel, 10th COHSOD Meeting, Tobago.</td>
<td></td>
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</table>

**Learning Outcome**  
The students would have understanding the issues relating to the migration of CARICOM nurses.

<table>
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<tr>
<th>The future of CARICOM in a globalizing world. Revision</th>
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**Learning Outcome**  
The student would have an understanding of the importance of the economic prospects of Caribbean countries in a globalizing world.
ADDITIONAL INFORMATION

19. “Any candidate who has been absent from the University for a prolonged period during the teaching of a particular course for any reason other than illness or whose attendance at prescribed lectures, classes, ... tutorials, ... has been unsatisfactory or who has failed to submit essays or other exercises set by his/her teachers, may be debarred by the relevant Academic Board, on the recommendation of the relevant Faculty Board, from taking any University examinations. The procedures to be used shall be prescribed in Faculty Regulations.”

“97. (i) Cheating shall constitute a major offence under these regulations.
(ii) Cheating is any attempt to benefit one’s self or another by deceit or fraud.
(iii) Plagiarism is a form of cheating.
(iv) Plagiarism is the unauthorized and/ or unacknowledged use of another person’s intellectual effort and creations howsoever recorded, including whether formally published or in manuscript or in typescript or other printed or electronically presented form and includes taking passages, ideas or structures from another work or author without proper and unequivocal attribution of such source(s), using the conventions for attributions or citing used in this University.

103. (i) If any candidate is suspected of cheating, or attempting to cheat, the circumstances shall be reported in writing to the Campus Registrar. The Campus Registrar shall refer the matter to the Chairman of the Campus Committee on Examinations. If the Chairman so decides, the Committee shall invite the candidate for an interview and shall conduct an investigation. If the candidate is found guilty of cheating or attempting to cheat, the Committee shall disqualify the candidate from the examination in the course concerned, and may also disqualify him/her from all examinations taken in that examination session; and may also disqualify him/her from all further examinations of the University, for any period of time, and may impose a fine not exceeding Bds$300.00 or J$5000.00 or TT$900.00 or US$150.00 (according to campus). If the candidate fails to attend and does not offer a satisfactory excuse prior to the hearing, the Committee may hear the case in the candidate’s absence.”

HOW TO STUDY FOR THIS COURSE
Students should keep up-to-date with lectures, office hours and tutorials. Attendance to at least 75% of tutorials is mandatory.
## GRADING SYSTEM

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<th>GPA</th>
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