

**Seminar: THE INTERNAL AND EXTERNAL DIMENSIONS OF EU GOVERNANCE**

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Office hours: By appointment. Please email us.

## Course description

The European Union (EU) stands at a crossroads, grappling with transformative challenges that will shape its future. As highlighted in Mario Draghi's recent report on *The Future of European Competitiveness*, European economies face an 'existential challenge', as heightened global competition and geopolitical instability may jeopardize the preservation of a European social model.

This interactive block seminar dives into the heart of these challenges by examining internal and external dimensions of EU governance. Since the establishment of the common market, the EU has continuously reshaped member states' policies across a variety of areas. Internally, we will explore how EU governance instruments impact member states' labour markets and welfare states. Externally, we will investigate how the EU exerts influence on global trade, geo-economics, and international security, highlighting the EU's norm-setting role as a key player in shaping global governance paradigms.

We will also examine critical moments of change, such as the Eurozone sovereign debt crisis and the COVID-19 pandemic, to understand how these events catalyzed shifts in the internal and external dimension of European governance. What role did the single market and the currency union play in transforming member states' economic and social systems? Why did the EU institutions often insist on austerity programs at the time of Eurozone crisis? To what extent is the EU still able to shape global regulatory regimes in areas such as artificial intelligence or carbon emissions reduction? What would a potential loss in this capability mean for Europeans? And how does the EU deal with an increasingly hostile geoeconomic and geopolitical global order?

By the end of this block seminar, students will develop a nuanced understanding of the EU's role in addressing contemporary governance challenges, both within its borders and on the global stage. This course invites students to critically assess how Europe is navigating this era of uncertainty - and what it means for its future as a global actor and as a union of nations striving to balance economic growth with social cohesion.

## Assignment (grades/credits)

Students who want to or need to obtain additional credits from this course have the possibility to write a **term paper** at the end of the semester. Details will be communicated at the beginning of the semester. This will be the Abschlussprüfung (APs).

## Assignment (in-class participation)

Students are expected to actively participate in the course.

Furthermore, the course will involve two types of in-class group exercises which will test students' understanding of the two course segments: 1. The internal dimension of EU governance and 2. The external dimension of EU governance. Both of them are required to obtain a Beteiligungsnachweis (BN).

### **Internal dimension of EU governance:**

Based on country fact sheets that will be provided by the instructors, students are expected to 'act' like the European Commission when it issues its yearly country-specific recommendations as part of the macroeconomic coordination cycle that is the European Semester. Students will be divided in groups and will provide policy recommendations to different member states.

### **External dimension of EU governance:**

Based on country fact sheets that will be provided by the instructors, students are expected to represent member states in real and hypothetical votes around external action: the imposition of tariffs on electric vehicles from China and the hypothetical use of the EU's anti-coercion tool against the United States. Students will be divided in groups and will provide policy recommendations to the Commission based on their member state interests.

# Timeline

Session	Date	Topic And Readings
1	<p><b>Time</b></p> <p>10.04.2025 12:30-14:00</p> <p><b>Room</b></p> <p>Please check on HIS-LSF</p>	<p><b>Introduction</b></p> <p><i>This session will serve as an introduction to our course, addressing administrative questions related to assignments and providing an overview of the key topics we will explore in the coming weeks!</i></p> <p><u>Core readings</u></p> <ul style="list-style-type: none"> <li>European Commission (Draghi Report), '<a href="#">The Future of European Competitiveness</a>'</li> </ul> <p><i>NB: While you are of course welcome to read the entire report, for this session only <b>p.1-19</b> are necessary.</i></p>
2	<p><b>Time</b></p> <p>17.04.2025 12:30-18:00</p> <p><b>Room</b></p> <p>Please check on HIS-LSF</p>	<p><b>The European Monetary Union: Origins, problems and solutions</b></p> <p><i>This session explores the origins of the European Monetary Union, examining why member states chose to limit their monetary autonomy. It considers the economic consequences of this decision, including the issues it resolved and those it created. Special focus will be given to the economic diversity within the Eurozone and how this affected the Eurozone crisis.</i></p> <p><u>Core readings</u></p> <ul style="list-style-type: none"> <li>Council of the European Union (2023), 'Understanding the Economic and Monetary Union' (<a href="https://op.europa.eu/en/publication-detail/-/publication/9cf1c742-2448-11ee-94cb-01aa75ed71a1/language-en">https://op.europa.eu/en/publication-detail/-/publication/9cf1c742-2448-11ee-94cb-01aa75ed71a1/language-en</a>)</li> <li>Frieden, J. and Walter, S., 2017. Understanding the political economy of the Eurozone crisis. <i>Annual review of political science</i>, 20(1), pp.371-390. <a href="https://doi.org/10.1146/annurev-polisci-051215-023101">https://doi.org/10.1146/annurev-polisci-051215-023101</a></li> <li>Eichengreen, B., 2012. European monetary integration with benefit of hindsight. <i>JCMS: Journal of Common Market Studies</i>, 50, pp.123-136. <a href="https://doi.org/10.1111/j.1468-5965.2011.02231.x">https://doi.org/10.1111/j.1468-5965.2011.02231.x</a></li> <li>Johnston, A. and Regan, A. (2018). Introduction: Is the European Union Capable of Integrating Diverse Models of Capitalism?, <i>New Political Economy</i>, 23(2), 145-159 <a href="https://doi.org/10.1080/13563467.2017.1370442">https://doi.org/10.1080/13563467.2017.1370442</a></li> </ul> <p><u>Optional readings</u></p> <ul style="list-style-type: none"> <li>Sadeh, T. and Verdun, A., 2009. Explaining Europe's Monetary Union: a survey of the Literature. <i>International Studies Review</i>, 11(2), pp.277-301. <a href="https://doi.org/10.1111/j.1468-2486.2009.00849.x">https://doi.org/10.1111/j.1468-2486.2009.00849.x</a></li> <li>Ryan, J. and Loughlin, J., 2018. Lessons from historical monetary unions-is the European monetary union making the same mistakes?. <i>International Economics and Economic Policy</i>, 15, pp.709-725. <a href="https://doi.org/10.1007/s10368-018-0416-8">https://doi.org/10.1007/s10368-018-0416-8</a></li> </ul>
3	<p><b>Time</b></p> <p>09.05.2025 10:30-16:00</p> <p><b>Room</b></p>	<p><b>The European Union as a regulatory superpower</b></p> <p><i>The EU may lack centralized administrative, military, or coercive powers, but it is still a formidable actor in the global landscape. From iPhones converting to USB-C chargers to online privacy, the EU has a global regulatory footprint. In this seminar, we explore the foundations of the EU's regulatory powers, tracing this through the digital and agricultural and climate spheres.</i></p>

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	Please check on HIS-LSF	<p><u>Core readings</u></p> <ul style="list-style-type: none"> <li>Bradford, Anu, 2023. How the EU Became a Global Regulatory Power. In <i>The Brussels Effect: How the European Union Rules the World</i> (Chapter 1). Oxford University Press.</li> <li>Kelemen, R. D., &amp; McNamara, K. R. (2022). State-building and the European Union: Markets, War, and Europe's Uneven Political Development. <i>Comparative Political Studies</i>, 55(6), 963-991. <a href="https://doi.org/10.1177/00104140211047393">https://doi.org/10.1177/00104140211047393</a></li> <li>Mügge, D. (2024). EU AI sovereignty: for whom, to what end, and to whose benefit? <i>Journal of European Public Policy</i>, 31(8), 2200–2225. <a href="https://doi.org/10.1080/13501763.2024.2318475">https://doi.org/10.1080/13501763.2024.2318475</a>.</li> <li>Damro, C. (2012). Market power Europe. <i>Journal of European Public Policy</i>, 19(5), 682–699. <a href="https://doi.org/10.1080/13501763.2011.646779">https://doi.org/10.1080/13501763.2011.646779</a>.</li> <li>Fouilleux, È., &amp; Gravey, V. (2022). 23. The Common Agricultural Policy. In Michelle Cini and Nieves Pérez-Solórzano Borragán: <i>European Union Politics</i>. Oxford: Oxford University Press.</li> </ul> <p><u>Optional readings</u></p> <ul style="list-style-type: none"> <li>Genschel, P., and Jachtenfuchs, M. (2018) From Market Integration to Core State Powers: The Eurozone Crisis, the Refugee Crisis and Integration Theory. <i>JCMS: Journal of Common Market Studies</i>, 56: 178–196. doi: <a href="https://doi.org/10.1111/jcms.12654">10.1111/jcms.12654</a>.</li> <li>Heidebrecht, S. (2024) From Market Liberalism to Public Intervention: Digital Sovereignty and Changing European Union Digital Single Market Governance. <i>JCMS: Journal of Common Market Studies</i>, 62: 205–223. <a href="https://doi.org/10.1111/jcms.13488">https://doi.org/10.1111/jcms.13488</a>.</li> <li>Akman, P. and Kassim, H. (2010), Myths and Myth-Making in the European Union: The Institutionalization and Interpretation of EU Competition Policy*. <i>JCMS: Journal of Common Market Studies</i>, 48: 111-132. <a href="https://doi.org/10.1111/j.1468-5965.2009.02044.x">https://doi.org/10.1111/j.1468-5965.2009.02044.x</a>.</li> </ul>
4	<p><b>Time</b></p> <p>28.05.2025</p> <p>10:30-16:00</p> <p><b>Room</b></p> <p>Please check on HIS-LSF</p>	<p><b>The European Union's geoeconomic predicament</b></p> <p><i>As the world moves away from a rules-based to a power-based order, the EU's traditional market-making set-up has come under increased pressure. Since the late 2010s, this has led to a rapidly growing arsenal of external tools to screen foreign investment and retaliate against economic coercion. Internally, however, the EU's lack of coordinated fiscal resources risks fracturing the single market in response to subsidy races with China and the United States. The goal of this seminar is to connect these external challenges and internal responses.</i></p> <p><u>Core readings</u></p> <ul style="list-style-type: none"> <li>McNamara, K. R. (2023). Transforming Europe? The EU's industrial policy and geopolitical turn. <i>Journal of European Public Policy</i>, 31(9), 2371–2396. <a href="https://doi.org/10.1080/13501763.2023.2230247">https://doi.org/10.1080/13501763.2023.2230247</a>.</li> <li>Herranz-Surrallés, A., Damro, C., and Eckert, S. (2024) The Geoeconomic Turn of the Single European Market? Conceptual Challenges and Empirical Trends. <i>JCMS: Journal of Common Market Studies</i>, 62: 919–937. <a href="https://doi.org/10.1111/jcms.13591">https://doi.org/10.1111/jcms.13591</a>.</li> <li>Schmitz, L., and Seidl, T. (2023) As Open as Possible, as Autonomous as Necessary: Understanding the Rise of Open Strategic Autonomy in EU Trade Policy. <i>JCMS: Journal of Common Market Studies</i>, 61: 834–852. <a href="https://doi.org/10.1111/jcms.13428">https://doi.org/10.1111/jcms.13428</a>.</li> <li>Baba, C., Lan, T., Mineshima, A., Misch, F., Pinat, M., Shahmoradi, A., ... &amp; Elkan, R. V. (2023). Geoeconomic Fragmentation: What's at Stake for the EU.</li> </ul>

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		<ul style="list-style-type: none"> <li>Working Paper No. 2023/245. <a href="https://www.imf.org/en/Publications/WP/Issues/2023/11/29/Geo-economic-Fragmentation-Whats-at-Stake-for-the-EU-541864">https://www.imf.org/en/Publications/WP/Issues/2023/11/29/Geo-economic-Fragmentation-Whats-at-Stake-for-the-EU-541864</a></li> </ul> <p><u>Optional readings</u></p> <ul style="list-style-type: none"> <li>Tordoir, S., and Setser, B. (2025). How German Industry can Survive the Second China Shock. Centre for European Reform Policy Brief. <a href="https://www.cer.eu/publications/archive/policy-brief/2025/how-german-industry-can-survive-second-china-shock">https://www.cer.eu/publications/archive/policy-brief/2025/how-german-industry-can-survive-second-china-shock</a>.</li> <li>Redeker, N., and Jäger, P. (2025). Delivering on Draghi – How to finally get real about the EU’s clean industrial strategy. Jacques Delors Centre Policy Brief. <a href="https://www.delorscentre.eu/en/publications/detail/publication/delivering-on-draghi">https://www.delorscentre.eu/en/publications/detail/publication/delivering-on-draghi</a>.</li> </ul> <p>Gabor, D. (2023). The (European) derisking state. Stato e mercato 1/2023. <a href="https://osf.io/download/6461d9df75337130069403bb/">https://osf.io/download/6461d9df75337130069403bb/</a>.</p>
5	<p><b>Time</b></p> <p>06.06.2025 10:30 – 16:00</p> <p><b>Room</b></p> <p>Please check on HIS-LSF</p>	<p><b>The Eurozone crisis, austerity, COVID and the new European economic governance</b></p> <p><i>This seminar explores how the European (Monetary) Union influences the labour markets of its member states. By integrating existing theories of European integration with the analysis of concrete policy outcomes, we will examine how the policy preferences of European institutions have evolved across key critical junctures, such as the Eurozone crisis and the COVID-19 crisis.</i></p> <p><u>Core readings</u></p> <ul style="list-style-type: none"> <li>Verdun, A. and Zeitlin, J., 2018. Introduction: the European Semester as a new architecture of EU socioeconomic governance in theory and practice. In <i>EU socio-economic governance since the crisis</i> (pp. 1-12). Routledge. <a href="https://doi.org/10.1080/13501763.2017.1363807">https://doi.org/10.1080/13501763.2017.1363807</a></li> <li>Meardi, G., 2018. Economic integration and state responses: Change in European industrial relations since Maastricht. <i>British Journal of Industrial Relations</i>, 56(3), pp.631-655. <a href="https://doi.org/10.1111/bjir.12307">https://doi.org/10.1111/bjir.12307</a></li> <li>Maccarrone, V., Erne, R. and Golden, D., 2023. The European Union: A significant player in labour policymaking. In <i>Handbook of Labour Market Policy in Advanced Democracies</i> (pp. 219-233). Edward Elgar Publishing. <a href="https://doi.org/10.4337/9781800880887.00024">https://doi.org/10.4337/9781800880887.00024</a></li> <li>Buti, M. and Fabbrini, S., 2023. Next generation EU and the future of economic governance: towards a paradigm change or just a big one-off?. <i>Journal of European Public Policy</i>, 30(4), pp.676-695. <a href="https://doi.org/10.1080/13501763.2022.2141303">https://doi.org/10.1080/13501763.2022.2141303</a></li> </ul> <p><u>Optional readings</u></p> <ul style="list-style-type: none"> <li>Miró, J., 2021. Austerity’s failures and policy learning: Mapping European Commission officials’ beliefs on fiscal governance in the post-crisis EU. <i>Review of International Political Economy</i>, 28(5), pp.1224-1248. <a href="https://doi.org/10.1080/09692290.2020.1749868">https://doi.org/10.1080/09692290.2020.1749868</a></li> <li>Cova, J., 2022. Reconsidering the drivers of country-specific recommendations: The Commission's ideological preferences on wage policies. <i>European Union Politics</i>, 23(4), pp.639-661. <a href="https://doi.org/10.1177/14651165221102696">https://doi.org/10.1177/14651165221102696</a></li> <li>Matthijs, M. and Blyth, M., 2018. When is it rational to learn the wrong lessons? Technocratic authority, social learning, and euro fragility. <i>Perspectives on politics</i>, 16(1), pp.110-126. <a href="https://doi.org/10.1017/S1537592717002171">https://doi.org/10.1017/S1537592717002171</a></li> </ul>

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		Braun, B., Di Carlo, D., Diessner, S. and Düsterhöft, M., 2024. Structure, agency, and structural reform: The case of the European central bank. <i>Perspectives on Politics</i> , pp.1-20. <a href="https://doi.org/10.1017/S1537592723002992">https://doi.org/10.1017/S1537592723002992</a>
6	<p><b>Time</b></p> <p>13.06.2025 8:30- 16:00</p> <p><b>Room</b></p> <p>Please check on HIS-LSF</p>	<p><b>Conclusion: The European Union now – what ways out of the “poly-crisis”?</b></p> <p><i>In this final session of our course, we will take a moment to reflect on the key insights and lessons learned over the past weeks. We will revisit critical concepts and theories, addressing any lingering questions and ensuring clarity on topics that may have seemed complex. As we look back on the European Union’s evolution, we will now turn our attention to its current state amidst a series of overlapping crises.</i></p> <p><u>Core readings</u></p> <ul style="list-style-type: none"> <li>Ferrara, F.M. and Kriesi, H., 2022. Crisis pressures and European integration. <i>Journal of European public policy</i>, 29(9), pp.1351-1373. <a href="https://doi.org/10.1080/13501763.2021.1966079">https://doi.org/10.1080/13501763.2021.1966079</a></li> <li>Zeitlin, J., Nicoli, F. and Laffan, B., 2019. Introduction: The European Union beyond the polycrisis? Integration and politicization in an age of shifting cleavages. <i>Journal of European Public Policy</i>, 26(7), pp.963-976. <a href="https://doi.org/10.1080/13501763.2019.1619803">https://doi.org/10.1080/13501763.2019.1619803</a></li> </ul>