

Athens University of Economics and Business
Department of International and European Economic Studies
Structure and Functioning of the European and Global Economic System
Fall 2026

Course Outline

The course examines the evolution of the global economic system in recent decades using the tools of international economics. It pays particular emphasis on the effects of international trade and factor movements on aggregate economic welfare, income distribution, and global imbalances.

Lecture Topics

1. The Long-Run Evolution of the Global Economy
2. The Gains from International Trade
3. Effects of Factor Movements (FDI, Migration)
4. Global Economic Imbalances
5. Transnational Corporations and Global Value Chains
6. Sovereign Debt Reduction Strategies

Selected Readings (more readings are available in the course's e-class)

Baldwin, R. (2025), The Great Trade Hack: How Trump's Trade War Fails and the World Moves on, *CEPR*.

Making Trade an Engine of Growth for All : The Case for Trade and for Policies to Facilitate Adjustment (2017), Joint IMF, World Bank, World Trade Organization Report.

Moving for Prosperity: Global Migration and Labor Markets, Policy Research Report (2018), World Bank.

Javorsek, M. and I. Camacho, Trade in Value Added: Concepts, Estimation and Analysis (2015), Working Paper No 150, UN ESCAP.

Rodrik, D. (2011), The Globalization Paradox, Norton.
World Investment Report (2024), UNCTAD.

Course Evaluation

The overall evaluation is based on the following items:

1. Comprehensive Final Exam (60% of the final grade)..
2. Students will have to work on a project (approximately 4000-5000 words), to present it in class (30 minutes), and to deliver the essay to their discussants a week prior to their presentation (30% of the final grade).
3. Students will have to write a comment on a project prepared by other students (maximum 700 words) and to present it in class (10% of the final grade).

Project Allocation

Students must communicate to the lecturer via an email entitled “Global Economic System” (email: tmoutos@aueb.gr) the proposed topic of their project by **October 21, 2026**, at the latest.

Once the lecturer approves the topic, students can start working on their project.

Topics will be allocated on a first-come first-served basis.

POSSIBLE TOPICS FOR PROJECTS

- • Financial Globalization and Current Account Imbalances
- • Sovereign Debt Defaults
- • The role of FDI in economic development
- • Structural Shifts in the Global Economy (the US/China conflict, the role of the EU)
- • The Role and Importance of the Transnational Corporations in the Global Economy
- • Regional vs Multilateral Approaches to International Integration
- • Impact of Globalization on Small Businesses
- • Globalization and the Informal Economy
- • Globalization and the Welfare State
- • The Effect of Globalization on Poverty and Inequality in Developing Countries
- • Financial Globalization and the Formation and Transmission of Economic Crises
- • Effects of Globalization on Workers in Advanced Economies
- • Impact of Migration on Host Economies
- • Globalization and Migration Links
- • Globalization and Growth
- • Globalization and Structural Change
- • Global Value Chains
- • Financial Globalization and Current Account Imbalances
- • Sovereign Debt Defaults
- • Structural Shifts in the Global Economy (the US/China conflict, the role of the EU)

Διδάσκων: Θωμάς Μούτος

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