

Manbar Khadka
Eco 277
Research Topic

My research question: Since joining the EU, have the Baltic nations (Estonia, Latvia, and Lithuania) converged toward EU average?

Title: Baltic convergence: steep and yet stable?

Research Method: I will replicate the paper on “Baltic convergence” by Siegfried Steinlein and Kristine Vlagsma (2005) and see how my results compare with theirs. In their research, they have used data from EuroStat for the year 2004. They show that the Baltic nations, that have low GDP per capita compared to the EU-average, have experienced high growth. In my paper, I will analyze the convergence of the Baltic nations using the recent data available from EuroStat. I will also use the data from International Financial Statistics. I will use macroeconomic indicators such as current account deficit, interest rates, inflation for the recent year to analyze whether the nations have reached the EU convergence or not. I will run a regression analysis of average GDP growth on variables such as GDP per capita, long-term nominal interest rates, HICP inflation, government deficit, government debt, and current account deficit.

Allen Chatt
2/23/07

The Evolution of the CFSP

Purpose

The European Union has defied all expectations and managed to integrate, both politically and economically, the interests of its 25 member states into its areas of competency. Despite its critics, the European Union has become one of the world’s largest economies and has effectively created a system of government over independent states that confounds common thinking on government systems and international organizations. The competencies of the Union cover many of the traditional policy concerns of a state, ranging from agriculture to trade and even to social policies, but one primary policy area was conspicuously absent during the beginning of the Union’s development- Foreign Policy.

Traditionally reserved as a power of states, independent foreign and security policies are important to a state’s relations with others in trade, diplomatic and defence matters. In its unusual role confounding the common definitions of government and international organization, the European Union has already taken on competencies in most areas of trade and in some areas of diplomatic relations between member states, but the question persists as to whether it would be possible to aggregate the foreign and defence policy interests of the diverse member states? Attempting to answer that, the European Union has made steps towards creating a common outlook on foreign relations and security policies. The aptly named Common Foreign and Security Policy (CFSP), outlined in the 1993 Maastricht Treaty, was the first codified step in working towards a

common foreign policy for the states of Europe. The policy has since been modified in both the Treaty of Amsterdam and the Treaty of Nice, expanding its breadth, and was to be further extended in the now defunct European Constitution.

The purpose of this paper will be to study the evolution of the CFSP since 1993 and to determine if a common foreign policy is possible in the diverse cultures of European states. By examining the policy itself to better understand its sources in the contributing political cultures and the actions on the policy over time, I hope to at the very least better understand the issue and at best to answer the question posed.

Proposed Methodology:

The research in this paper will be two pronged. The first portion will focus on a broad analysis of the collective foreign policy by seeking to explain if there is a trend in the number of common positions, joint actions and declarations issued from the Council since the institutionalization of the CFSP in the Maastricht treaty of 1993. If the CFSP is in fact taking off, there would be a predictable increase in simply the amount of legislation on the topic, so there should be an upward trend observed. The data for this portion of the research will be drawn from prior journal articles and books on the common foreign policy (Whitman 1998 and Ginsberg 2001 to name a few) and further detailed data should be available from the EU website.

The second portion will delve further in depth into particular issues of foreign policy importance and will focus on a case study of the European response to those issues. The obvious issue choices will be on the Balkan crises from 1992-99 in Bosnia, Kosovo and the Former Yugoslav Republic of Macedonia which were partly the impetus for a common foreign and security policy, the ongoing issue of Russia and non-proliferation and finally the war in Iraq for a look at a divisive foreign policy issue among the members. Data for this portion will come from similar sources, but with a more directed focus than the breadth of data sought in the first research study.

Mr. Wesley Jinks

For my paper I am going to examine if there is a difference in inputs that affect the amount of Foreign Direct Investment in countries that are developing compared to those that are developed. I will use a standard linear multiple regression of FDI on four groups, economic, financial, social, and gravity. I will do this regression for developing countries on data from the Czech Republic which has a relatively high convergence rate with western Europe and relatively high FDI flows and with Slovenia which is similar to most other Eastern European countries in terms of convergence and FDI flows. For developed countries I will use Ireland which was relatively poor, but has become relatively successful and France which is a traditional developed economy. I will also point out deficiencies in using a standard linear regression for this type of model and will discuss an alternative called the Neural Networking Model that has become increasingly important in recent years. I will also discuss the relevance of FDI for growth based on previous research. I will use the data from the Eurostat website for my regression. I expect to find that there is a difference in factors affecting developed and developing countries based on the different things that investors look for when sending funds to a region.

Jason Simons

Economics 277-1/ Political Science 374

Paper Proposal

I plan to research and discuss Turkey's interest in joining the European Union. I believe that the possible addition of Turkey as a member state would present a very interesting challenge for the European Union. In particular, I wish to explore the current status of Turkey's application for membership and how the addition of Turkey might change the nature or political culture of the European Union. Certainly, Turkey is very different than current member states. Turkey's citizens are primarily Islamic and the country is located mostly in the Middle East, but it also has a distinct European culture in some parts. Thus, I will explore the challenges that these differences create, how they might be reconciled, and how the inclusion of a Middle Eastern country might affect the policies of the EU and how it relates to political entities outside of Europe. In doing so, I will use a number of graphs and tables that detail the current economic and political climate in Turkey, public sentiments about membership in the EU, and an overall picture of the ethnography of Turkey. I will consult sources such as the CIA World Factbook and EUROSTAT, as well as number of literary sources which includes Hix's book on the EU we have been using.

Patrick Maguire
ECO-277/PSC-374
European Union
Research Paper Topic

Topic: Ireland's utilization of EU structural and cohesion funds towards sustained economic growth

Research Question: What role did funds from the European Regional Development Fund (structural funds) and the Cohesion Fund play in the Ireland's impressive economic growth? => What was the driving force behind Ireland's economic expansion? [Pending data request]

Method: Multivariate regression analysis using natural logs of the Cobb-Douglas production function

Dependent variable: Output (GDP)

Independent variables: 1) Labor- employment rates
2) Capital- IE's fixed capital assets
3) Structural funds- annual total
4) Cohesion funds- annual total
5) Allocation of funds (Pending data request):
a) Higher education
b) Research and Development

In case I cannot find requested data:

-Additional analysis: Cross-country comparison of utilization of EU funds
-Ireland
-Spain
-Greece
-Portugal

Divash Basnet '09

Paper proposal

Research Paper Topic:

Income gap and functioning of labor markets in the Anglo-Saxon and European social model.

Research Question:

Is the Anglo-Saxon social model better for the workers in terms of their earnings and benefits?

Method:

Multivariate analysis of regression

Independent Variables:

Institutional characteristics of national labor markets, such as, benefits received and the number of hours worked.

Dependent Variable:

Rate of participation in the labor force and degree of income inequality

Source:

University of Groningen website; eco.rug.nl/ggdc

Mr. Brian Crum

Topic: Beta and Sigma Convergence in the EU and Latin America.

Hypothesis: The European Union countries are converging at a quicker rate than the Latin American Countries.

Thesis: Beta and Sigma convergence show that European Union countries are converging at a much quicker rate than Latin American countries.

Method: I will be estimating beta and sigma convergence for different areas in the EU and Latin America. I will then do interregional and intraregional comparisons.

Data: Eurostat.com, cia.gov

Scott Gallant

Econ 277-1/PSC374

The Perceived and Actual Benefits to European Countries from Joining the European Monetary Union: an Empirical Analysis

Do countries benefit from joining a currency union, specifically the European Monetary Union? By examining countries prior to and after joining the EMU and by comparing the EU countries in the EMU to those that aren't, I hope to find an answer to this research question. I will use multiple ordinary least squares econometric models in my research, with the primary dependent variables which measure perceived benefit being international trade and GDP, and the primary independent variable being a dummy of whether or not a country is in the EMU. I will use other statistically significant independent variables to prevent as much confounding as possible. In the end I expect to find that joining the EMU does benefit countries: first by an increase in international trade, leading to an increase in competition and production, and finally leading to an increase in GDP. This hypothesis is based on the theoretical framework of the Solow growth model. I would also like to use my results to predict what will happen in the Eastern European countries that will be joining the EMU in the future.

Brad Armstrong

Title: A Comparison of the Convergence Rates of States Recently Entering the European Community

Research Question: How do the convergence rates of countries that just joined the EU in 2004 compare to the convergence rates of the six countries that initially formed the

ECSC? What factors cause the difference between the convergence rates, to the US and to the rest of Europe, of these two groups? Overall, which group of countries benefited more from joining a community?

Hypothesis: I hypothesize that the states just joining the European Union in 2004 will “catch up” to the U.S. and the powerhouse EU states faster than other countries in the past have after joining the European Community. I believe this will happen due to the strengthening of the integrated market in Europe over time.

Method: I will use Beta, Sigma and other forms of convergence analysis to compare the convergence rates of Europe and America after different periods of integration. I will also look at the individual growth rates of countries before and after they joined the Community.

Data Source: I will be using Eurostat and the US Bureau of Economic Analysis for most of my data.

Mr. Matt Walter

Question: How has FDI influenced the GDP growth of the EU member nations?

Hypothesis: FDI has been one of the driving forces behind the increasing GDP/capita cohesion among EU member states.

I believe I have found sufficient data on FDI and growth rates in countries throughout Europe. Statistics from the IMF and the UN provide insight into FDI flows into Europe. I plan on putting together regressions relating FDI to the real GDP growth. My dependent variable will be FDI and my independent variables will be real GDP (output), real wages and unemployment. I will then be able to compare the effects of growth of inward and outward flowing FDI have on the growth in output