

COURSE SYLLABUS

EU Market and Business Policies

Course code: ECO 320

Semester and year: Spring 2026

Day and time: Thursday 11:15-14:00

Instructor: Prof. Alena Zemplerová

Instructor contact: Alena.zemplerova@aauni.edu

Consultation hours: prior the class 10:30-11:15

Credits US/ECTS	3/6	Level	Bachelor
Length	15 weeks	Pre-requisite	ECO 105
Contact hours	42 hours	Grading	Letter Grade

1. Course Description

The course explains how firms compete through their strategies and how businesses acquire and maintain market power. In addition, the course provides introduction into the tools of the business environment and market analysis. The course aims at presenting the European Union (EU) market related policies, their rationale and impact on businesses. The course familiarizes students with the main institutions of the EU related to the enforcement of EU market policies focusing on the competition policy and financial markets regulation.

2. Student Learning Outcomes

Upon completion of the course the student will be able to:

- Understand more in detail selected firm's strategies and doing business in the EU market
- Developing familiarity with the most important EU market related policies
- Analyse cases where these particular policies are relevant
- Present the results of one's own analysis and defend the position using the standard terminology
- Develop future career as an entrepreneur, manager or a consultant operating in the EU market

3. Reading Material

The course relies on the required textbook (selected chapters) and articles listed below. Occasional additional readings may be recommended preceding their discussion. Students are encouraged to scan the *Financial Times* or *The Economist* magazine for articles relevant to the topics covered in the course.

Required Materials (Available as a scan inserted in NEO or to Download)

Textbook:

Baldwin, R. and Wyplosz, C. (2022). *The Economics of European Integration*. 6th (7th) edition, McGraw-Hill Education (Selected chapters)

Recommended Materials

Bruijl, Gerard H. Th., The Relevance of Porter's Five Forces in Today's Innovative and Changing Business Environment (June 7, 2018). Available at SSRN: <https://ssrn.com/abstract=3192207> or <http://dx.doi.org/10.2139/ssrn.3192207>
Zemplinerova, A., 2021, *The COVID-19 Crisis: Business Opportunities and Risks*, in ed. L. Tungul, *Emerging Paradigms in the Shifting Foreign and Domestic Environments*, Jutty Prerov, pp 68-76
https://www.martenscentre.eu/wp-content/uploads/2021/11/Yearbook-2022_Publication-EN.pdf

Occasional additional readings may be recommended preceding their discussion. Students are encouraged to scan the *Financial Times* or *The Economist* magazine for articles relevant to the topics covered in the course.

4. Teaching methodology

Models and empirical studies are considered in simplified versions but retaining the basic economic intuition. Logical arguments are used to explain main ideas of modern industrial organization. The core of the course will be not only lectures related to the theoretical background but also selected real life examples, antitrust cases and the EU market regulations. Stimulation of students' critical observation and thinking is based on research of real cases accenting the economic analysis. Communication skills will be trained via student's presentations and discussions.

5. Course Schedule

Date	Class Agenda
Class 1 Feb. 05	Topic: Introduction, the European Union (EU) Market Description: Overview of the course, key concepts, issues addressed by the course, business versus governmental and the European Union (EU) policies, brief EU Market history (trade and market integration, monetary integration)
Class 2 Feb. 12	Topic: EU Market in the Global Economy Description: Regional integrations and markets: reasons, effects and stages, European Economic Area (EEA), European Free Trade Area (EFTA), EU market enlargements, EU market by member states, Brexit, major economic indicators, diversity of markets of the EU member states Reading: <i>Baldwin and Wyplosz, Ch. 1, pp.4-37</i> Assignment #1 <i>Business environment: Comparative analysis</i> (due: Class 3)

<p>Class 3 Feb. 19</p>	<p>Topic: EU Institutions, Market Regulation, role of Lobbying in the EU decision making Description: EU laws, Treaties, EU regulations and Directives. Major EU institutions, legislative process, lobbying. EU competences. Reasons for economic regulation, network industries, externalities, market failure. Reading: <i>Baldwin-Wyplosz, Ch. 2 and ch.3, pp.39-92</i> <i>Presentations (Assign. 1)</i></p>
<p>Class 4 Feb. 26</p>	<p>Topic: EU Firms and Single Market, Barriers to Enter the Market Description: Market size and market liberalization, profit maximization, scale effects: economies and diseconomies of scale, small and medium size firms (SMEs), small vs. Large firms, barriers to trade. Market delineation, product market, geographical and time dimension of the market., Reading: <i>Baldwin and Wyplosz, Ch. 6, pp 143-153</i> <i>Presentations (Assign. 1)</i></p>
<p>Class 5 March 5</p>	<p>Topic: Competition and Monopoly in the EU Market Description: Structure-Conduct-Performance (S-C-P) model, Major characteristics of the market structure, business behaviour (conduct) and business performance (efficiency), oligopoly market structure, entry costs, contestable markets, competitive market forces and industry analysis. Reading: <i>Baldwin-Wyplosz, Ch. 11, 256-273</i> <i>Assignment #2 Industry Analysis: Five competitive forces</i> <i>Assignment #2 due: Class 6</i></p>
<p>Class 6 March 12</p>	<p>Topic: EU Trade Policy, Multinational Companies and Foreign Direct Investment Description: Pattern of trade and tariffs, non-tariff barriers to trade, EU institutions for trade policy, differences among the EU member states, anti-dumping and anti-subsidy measures, existing arrangements, EU single market and four freedoms of movement in the EU market, free movement of capital in the EU single market and foreign direct investment (FDI) Reading: <i>Baldwin-Wyplosz, Ch. 12, pp.275-285</i> <i>Presentations of Assign. 2</i></p>
<p>Class 7 March 19</p>	<p>Topic: Mergers and Acquisitions (M&A) in the EU Market Description: Horizontal and vertical mergers, reasons for M&A, EU policy related to M&A, market concentration, market definition, measurement of market power, EU merger cases, Grossborder mergers vs. Domestic mergers, benefits of buying business in the EU Reading: <i>Geopolitics In Europe Drive Cross-Border M&A, ARC Group August 1, 2024</i> https://arc-group.com/geopolitics-europe-cross-border-m-a/ <i>Presentations (Assign. 2)</i></p>
<p>Class 8 March 26</p>	<p>Midterm Exam</p>
<p>April 2</p>	<p>Midterm Break</p>

Class 9 April 9	Topic: Business Pricing Policies, Cartels and the EU Antitrust Description: Pricing policies of businesses, market segmentation, bundling, price fixing, collusion, factors facilitating collusion, public policy, EU Legislation, and competition policy related to cartels and monopoly, cases Assignment #3 <i>Antitrust case or Merger Approval in the EU market</i> (due Class 10)
Class 10 April 16	Topic: Non-Price Business Policies: Advertisement and Innovation Description: branding, types of advertisement, information, consumer behavior and firm strategy, search costs and switching cost, EU and consumer protection, types of advertisement exist and what is their relation to the market structure, business advertising regulation in the EU market, unfair B2B practices business innovation policies, patents, importance of innovation, relation between market structure and innovation, types of innovations, patent regulation <i>Presentations Assign. 3</i>
Class 11 April 23	Topic: European Monetary Union (EMU) Description: Eurozone entry conditions and their economic reasoning, Stability and Growth Pact (SGP) and fiscal discipline, Money, golden standard, Bretton Woods, IMF, optimum currency area (OCA), Fiscal discipline in the eurozone countries <i>Presentations (Assign. 3)</i>
Class 12 April 30	Topic: EU Financial Markets Description: Roles of financial markets, Financial institutions, Effects of the EU financial markets integration, Effects of euro on financial markets (bond and stock markets), Characteristics of financial markets (what is special about banking industry and why they are strongly regulated)? EU capital market integration and EU Treaties, Regulation, supervision and resolution in the EU banking market Reading: <i>Baldwin and Wyplosz, Ch. 17 pp.413-439</i> <i>Zemplinerova (2021)</i>
Class 13 May 7	Topic: Financial Crisis, Public Debt Crisis in the Eurozone Description: Effects of a monetary union, Financial Crisis, Eurozone in crisis bailing out the banks during the financial crisis, regulation of banking sector in the EU. The future of the European monetary integration. Reading: <i>Baldwin and Wyplosz, Ch. 18 pp 443-472</i>
Class 14 May 14	Final exam

6. Course Requirements and Assessment (with estimated workloads)

Assignment	Workload (average)	Weight in Final Grade	Evaluated Course Specific Learning Outcomes	Evaluated Institutional Learning Outcomes*
Attendance and Class Participation	42	0%		
Assignments, discussion participation, presentation	32	30%	Ability to carry out research based on relevant sources. Ability to explain the topic while using economic arguments. Capacity to present, participate in discussions and defend your own opinion.	1,2
Mid Term Exam (closed book)	38	35%	Ability to answer questions based on lectures and the assigned readings related to topics 1-6	1,2
Final Exam (closed book)	38	35%	Ability to use economic arguments and tools covered by the course, explain the studied topic, identify key issues, combine existing findings and defend one's own opinion. Ability to answer questions based on lectures and the assigned readings related to topics 1-13	1,2
TOTAL	150	100%		

*1 = Critical Thinking; 2 = Effective Communication; 3 = Effective and Responsible Action

7. Detailed description of the assignments

Written assignments

Each student must participate in 3 assignments (individual or teamwork). These will be research, analysis, oral presentations and discussions in the class, mainly case studies and statistical data analysis related to the EU market, competition policy and business strategies. Detailed description and guidelines for each assignment will be provided during the class and inserted into NEO. Assignments require not only research related to the topic and economic arguments but also proper referencing. Assignments should be handed in via NEO due time, presented on an agreed date and will be counted for the grade. In case a student will not meet this requirement, he or she will lose points.

Midterm exam

Midterm exam includes questions, and multiple choices that cover the topics 1-7. It is a close book exam.

Final exam

Final exam includes questions, multiple choices and essay question/s that cover the topics 1-14. It is a close book exam. Detailed guidelines and study guides will be inserted into NEO.

8. General Requirements and School Policies***General requirements***

All coursework is governed by AAU's academic rules. Students are expected to be familiar with the academic rules in the Academic Codex and Student Handbook and to maintain the highest standards of honesty and academic integrity in their work. Please see the AAU intranet for a [summary of key policies](#) regarding coursework.

Course specific requirements

There are no special requirements or deviations from AAU policies for this course.