

## COURSE OUTLINE

### **EU TRADE LAW / ECONOMIC LAW OF THE EU**

MMIB/PLIB 018 / IMLE112

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#### **Introduction**

The European Union (EU) was created by the so-called “Maastricht Treaty” in 1992 and is the outcome of a new era of European integration launched in the aftermath of World War II. The new era was inaugurated first by the creation of the European Coal and Steel Community (ECSC) in 1952 and soon followed by the creation of the European Economic Community (EEC) and European Atomic Energy Community (EURATOM) in 1958. Since the early days, the EU’ Treaty architecture has frequently changed and the scope of the European treaties has expanded far beyond the objectives of the creation of a common market and the gradual realization of the four fundamental freedoms (free movement of goods, services, workers, and capital). These declared goals of European integration have initiated the important parallel processes of negative and positive integration, which underpin the special dynamics underlying the theory of economic integration. At the same time, the EU also saw the number of its Member States rise constantly as membership rose from 6 to the current 27 Member States. Membership can be expected to increase in the future with several European countries having applied or been granted the status of a candidate country. This so-called “process of widening of European integration” was accompanied by a process of deepening of the legal and institutional ties between the Member States.

Still, at the global level, the EU is often described as an ‘economic giant but political dwarf’. This characterisation, however, may change with the entry into force of the so-called “Lisbon Treaty”, which was signed on December 13, 2007 and which has entered into force following the successful ratification by all EU Member States on December 1, 2009. This Treaty was expected to bring important changes to the institutional architecture and material scope of the European Union. Regionally, it is often referred to as a unique and most advanced project of regional integration. Legally, there is also an interesting debate going on which focuses on the question of whether European Union law has established its own kind of autonomous legal order or can be considered a part of public international law. Finally, with its scope having expanded considerably, the EU legal system provides an interesting and useful example for some of the most serious challenges that other regions but also the global legal system as a whole face today in terms of the global governance debate.

#### **Course Description**

The introductory session of the course will provide an introduction to the evolution of the process of European integration during the past half a century. Based on an overview over the gradual development of the basic legal instruments (primary sources of EU Law) and the principal organs and institutions, it focuses on the special economic dynamics that were created by the declared objectives of the creation of a common market and the realization of the four freedoms. These dynamics will be critically contrasted with legal obligations established by the international

trading regime under the aegis of the General Agreement of Tariffs and Trade (GATT 1947) and the 1994 World Trade Organization (WTO) as well as the challenges faced by other important trading blocs or powers, such as the North American Free Trade Agreement (NAFTA), India and China.

The course will conclude with a presentation of the core activities of EU Trade law or the Economic Law of the EU, which consists of the main topics: the four freedoms, the Common Commercial Policy (CCP); EU competition law and policy; the relationship between WTO law and EU foreign trade law; dual-use and control of arms trade; sanctions and the trade barriers regulation.

### **Objectives:**

In accordance with the different background of the participants, the principal objectives of the course are:

- to familiarise the student with the historical evolution of the EU and its predecessors; the basic terminology of EU law, its central legal instruments and organs;
- to foster the understanding of the dynamics of economic integration in Europe as well as in other regions (e.g. NAFTA) and globally under the aegis of the WTO;
- to cast light on the “spill-over” of economic integration to other areas of cooperation, such as notably political, military, and cultural cooperation;
- to enhance students’ own research abilities in the field of EU law.

### **Course Materials:**

#### **Reading materials:**

- De Witte, Bruno, “European Union Law: How Autonomous is its Legal order?” (2010) 65 ZÖR 141-155.
- De Witte, Bruno, “The Question of the Treaty Architecture: 1957-2007” in A. Ott & E. Vos, *Fifty Years of European Integration: Foundations and Perspectives* (Cambridge: T M C Asser Press, 2009) 9.
- Von Bogdandy, Armin, “The Legal Case For Unity: The European Union as a Single Organization with a Single Legal System”, (1999) 36 C.M.L.R. 887–910.
- Scharpf, Fritz W., “Balancing Positive and Negative Integration: The Regulatory Options for Europe” (1997) *EUI Policy Paper* 97/4.
- Neuwirth, Rostam J., “The European Union and the Ambivalence towards the Process of European Integration” (2008) 1 *NUJS Law Review* 33-53, available online at [http://nujlawreview.org/articles2008vol1no1/rostan\\_j.\\_neuwirth.pdf](http://nujlawreview.org/articles2008vol1no1/rostan_j._neuwirth.pdf).
- Balassa, Bela, *The Theory of Economic Integration* (London: George Allen & Unwin Ltd, 1962) at 1-17.
- Rodrik, Dani, “How Far Will International Economic Integration Go?” (2000) 14 *Journal of Economic Perspectives* 177–186.
- Thakur, Ramesh & Langenhove, Luc Van, “Enhancing Global Governance Through Regional Integration” (2006) 12 *Global Governance* 233-240.

#### **Legal Materials:**

- Consolidated versions of the Treaty on European Union and the Treaty on the Functioning of the European Union, O.J. 2010/C 83/01 (March 30, 2010).

#### **Supplementary Reading Materials:**

- Craig, Paul P. & Grainne de Burca, *EU Law: Text, Cases, and Materials* (Oxford: OUP, 2008).
- Chalmers, Damian, *European Union Public Law: Text and Materials* (New York: Cambridge University Press, 2007).

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