

EUROPEAN UNION BANKING. PAST, PRESENT AND FUTURE

Curso 2017/2018

(Código: 26600133)

1. PRESENTACIÓN

The main aim of the subject European Union Banking, Past, Present and Future is to show how the European Financial System works, especially the European Central Bank (ECB); the long way followed to its creation; its response to the Great Recession and the challenges it will have to overcome in order to consolidate a real and stable Banking Union for the 27 members of Eurozone.

2. CONTEXTUALIZACIÓN

There is not possible a developed economy without a highly qualified financial system. Based on this assumption the European Union (EU) have had the objective of an integrated financial system of all its members since its creation in the Treaty of Rome in 1957.

Many steps have been done since then. The most important one was the Treaty of Maastrich in 1992 with the creation of the Economic and Monetary Union and the introduction of a common monetary unit: euro (art. 4). The creation of the Euro area and a new supranational institution, the European Central Bank (ECB), was a milestone in the long and complex process of European integration.

Since 1 January 1999 the ECB has been responsible for conducting monetary policy for the euro area. The responsibility for monetary policy was transferred from the national central banks of 11 EU Member States to the ECB in January 1999, Greece joined in 2001, Slovenia in 2007, Cyprus and Malta in 2008, Slovakia in 2009, Estonia in 2011, Latvia in 2014 and Lithuania in 2015. The ECB employs the common monetary policy to create an efficient and safe financial sector for the single market.

The main economic challenge the UE had to cope with was to give a unified answer to the Great Recession that emerged in 2008. The ECB, together with the Commission and International Monetary Fund (IMF), have negotiated Memorandums of Understanding (MoU) with some European countries strongly hit by the crisis, to support their financial systems.

As the financial crisis evolved and turned into the Eurozone debt crisis, it became clear that, for those countries which shared the euro and were even more interdependent, a deeper integration of the banking system was needed. That's why, on the basis of the European Commission roadmap for the creation of the Banking Union, the EU institutions agreed to establish a Single Supervisory Mechanism and a Single Resolution Mechanism for banks. Banking Union applies to countries in the euro-area. Non-euro-area countries can also join.

As a further step to a fully-fledged Banking Union, in November 2015, the Commission put forward a proposal for a European Deposit Insurance Scheme (EDIS)[1]

[1] http://ec.europa.eu/finance/general-policy/banking-union/index_en.htm

3. REQUISITOS PREVIOS RECOMENDABLES

It is assumed that the natural background of the students will be an Economic Degree, Law Degree, a Political Science Degree or, more generally, a Degree in a Social Science-related area. Other Graduates are by no means excluded.

Any graduate truly interested in EU issues will fit into the course. Previous familiarity with EU affairs is an excellent starting point for the student to make the most of this course.

4. RESULTADOS DE APRENDIZAJE

At the end of the semester the student should know:

- The history of the European Monetary Union. The main achievements and mistakes
- The European Financial System, its institutions and policies. How the Eurozone works
- The role played by the ECB's as the main institution of the Eurozone and its implications over the European monetary policy and the capability of Eurozone's members to take specific economic measures
- The effects of the Great Recession on Eurozone and its country members.
- How the ECB and Troika faced the international financial crisis. The main measures and targets of the Memorandum of Understanding (MoU) applied on those countries with European financial support
- The European Union Banking. Its main pillars and the development of its goals

5. CONTENIDOS DE LA ASIGNATURA

1. The European Monetary Union (EUM). The origin.
2. Eurosystem. The European Central Bank System. The ECB
3. European Financial Systems
 1. Bundesbank.
 2. Banque de France.
 3. Banca D'Italia.
 4. Banco de España
 5. Oesterreichische Nationalbank
 6. Suomen Pankki
 7. DeNederlandscheBank
 8. Banque Nationale de Belgique.
 9. Banque Centrale du Luxembourg.
 10. Banco de Portugal.
 11. Central Bank of Ireland.
 12. Bank of Greece.
 13. Central Bank of Cyprus.
 14. Banka Slovenije
 15. Národná Banka Solvenska
 16. Eesti Bank
 17. Latvijas Banka
 18. Lietuvos Bankas
 19. Bank Centralita' Banka
4. European Financial Crisis.
 1. The ECB monetary policy.
 1. Monetary Policy Evolution
 2. ESM/MEDE. European Stability Mechanism
 3. EFSF. European Financial Stability Facility
 2. European Financial Support
 1. Greece
 2. Ireland
 3. Portugal
 4. Cyprus
 5. Spain
 6. Hungary
 7. Romania
 8. Slovenia

5. The future of the European Banking Union
 1. Single Resolution Mechanism (SRM/MUR)
 2. Single Supervisory Mechanism (SSM/MUS)
 3. Single Rule Book
 4. Deposit Guarantee Schemes

6.EQUIPO DOCENTE

- [JOSE LUIS CALVO GONZALEZ](#)
- [CRISTINA RUZA PAZ-CURBERA](#)
- [PABLO ESTEBAN SANCHEZ](#)

7.METODOLOGÍA

The methodology has been developed by UNED. It combines on-line formation with the use of books, articles, webpages... and all kind of references accessible to the student by UNED's Library, Associated Centres, and Alf –specific on-line platform created by the University-.

The student should employ internet in order to think up his working paper.

There is a chat to discuss the main topics and news related to European Union Banking.

8.BIBLIOGRAFÍA BÁSICA

Comentarios y anexos:

There is not a specific book explaining the European Financial System. But you can study its origins and how it works in ECB webpage.
<https://www.ecb.europa.eu/ecb/html/index.es.html>

Since the European Financial System is very dynamic and it is changing every day, especially after the Great Recession of 2008 and the active role played by the ECB, interesting new references for the students will be included in Alf's "Documentos" Section. It is highly recommended to consult that folder from time to time.

Here you have some specific references.

EUROSYSTEM CENTRAL BANKS

- ECB. <https://www.ecb.europa.eu/ecb/html/index.es.html>
- Bundesbank. https://www.bundesbank.de/Navigation/DE/Home/home_node.html
- Banque de France. <https://www.banque-france.fr/en/home.html>
- Banca D'Italia. <https://www.bancaditalia.it/>
- Banco de España. <http://www.bde.es/bde/es/>
- Oesterreichische Nationalbank (Austria). <http://www.oenb.at/en/>
- Suomen Pankki (Finlandia). <http://www.suomenpankki.fi/en/Pages/default.aspx>
- DeNederlandscheBank (Holanda). <http://www.dnb.nl/home/index.jsp>
- Banque Nationale de Belgique. <https://www.nbb.be/en>
- Banque Centrale du Luxembourg. <http://www.bcl.lu/fr/index.php>
- Banco de Portugal. <https://www.bportugal.pt/en-us/Pages/inicio.aspx>
- Central Bank of Ireland. <http://www.centralbank.ie/Pages/home.aspx>
- Bank of Greece. <http://www.bankofgreece.gr/Pages/en/default.aspx>
- Central Bank of Cyprus. http://www.centralbank.gov.cy/nqcontent.cfm?a_id=1&lang=en
- Banka Slovenije (Eslovenia). <http://www.bsi.si/>
- Národná Banka Slovenska (Eslovaquia). <http://www.nbs.sk/sk/titulna-stranka>

- Eesti Bank (Estonia). <https://www.eestipank.ee/en>
- Latvijas Banka (Letonia). <https://www.bank.lv/>
- Lietuvos Bankas (Lituania). <https://www.lb.lt/>
- Bank Centralita' Banka (Malta). <http://www.centralbankmalta.org/>

MEMORANDUMS OF UNDERSTANDING

- http://ec.europa.eu/economy_finance/assistance_eu_ms/

BANKING UNION

- Second council directive 89/646/eec

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:31989L0646:EN:HTML>

- Banking Union

http://ec.europa.eu/finance/general-policy/banking-union/index_en.htm

- Single Supervisory Mechanism

http://ec.europa.eu/finance/general-policy/banking-union/single-supervisory-mechanism/index_en.htm

<https://www.bankingsupervision.europa.eu/about/thessm/html/index.en.html>

- Single Resolution Mechanism

http://ec.europa.eu/finance/general-policy/banking-union/single-resolution-mechanism/index_en.htm

<http://www.consilium.europa.eu/en/policies/banking-union/single-resolution-mechanism/>

- Single Deposit Insurance Mechanism

http://ec.europa.eu/finance/bank/guarantee/index_en.htm

http://europa.eu/rapid/press-release_MEMO-15-6153_en.htm

http://ec.europa.eu/finance/general-policy/banking-union/european-deposit-insurance-scheme/index_en.htm

- Single Rulebook

<http://www.consilium.europa.eu/en/policies/banking-union/single-rulebook/>

<http://www.eba.europa.eu/regulation-and-policy/single-rulebook>

9.BIBLIOGRAFÍA COMPLEMENTARIA

Comentarios y anexos:

I suggest to create [Google's alerts](#) related to European Financial System, European Central Bank, etc. in order to know what is happening day by day.

10.RECURSOS DE APOYO AL ESTUDIO

11.TUTORIZACIÓN Y SEGUIMIENTO

The main way of communication is Alf platform and e-mail.

E-mail address: jcalvo@cee.uned.es

If the student needs to contact personally with the professor, he can call to:

- Prof. Dr. José L. Calvo González Despacho n.º 2.4

Departamento de Teoría Económica y Economía Matemática.

Facultad de Económicas y Empresas UNED Paseo Senda del Rey, 11. 28040. MADRID

- Phone number: +3413987820

12.EVALUACIÓN DE LOS APRENDIZAJES

The student must write a WORKING PAPER, no longer than 40 pages, selecting one of the following subjects:

1. The Great Recession. ECB's monetary policy in the crisis
2. The effects of the Great Recession in the Financial System of a member of the Eurozone. The student should select a country and study:
 - The situation before the crisis
 - How its financial system evolved during the Great Recession
 - Its Memorandum of Understanding (in case of)
 - Its future in the Eurozone and the Union Banking
3. The evolution of the European Financial System. The Union Banking
4. The European Union Banking. Its pillars and future

In order to present the working paper, the student should take into account the following instructions:

1. A scheme is COMPULSORY. Working papers will not be admitted if the student doesn't have presented a previous scheme and it doesn't have been approved by the professor.
2. The student should incorporate his own ideas, discuss the facts and propose some conclusions. It is not only a descriptive study
3. All statements should be supported by data

DEADLINES FOR SCHEMES AND WORKING PAPERS

SCHEMES:

- For those students who want to present his working paper in February: 1 of December 2017
- For those students who want to present his working paper in September: 31 of January 2018

WORKING PAPER:

- For those students who want to present his working paper in February: 1 of February 2018
- For those students who want to present his working paper in September: 15 of July 2018

13.COLABORADORES DOCENTES

Véase equipo docente.