IB341 CONTEMPORARY BUSINESS ISSUES AND THE EU

IES Abroad London

DESCRIPTION: This participative and interactive course will give students a better understanding of the business environment in the EU and the opportunities for companies operating within its borders. Whether a small enterprise or a global business, every commercial endeavor is influenced by EU political and economic developments. The EU continues to be the most important market for U.S. businesses, as well as the biggest investor in the United States and the biggest recipient of U.S. investments. The EU key policies and strategies for increased competitiveness will be analyzed. The business opportunities resulting from deregulation and liberalization of European markets, the completion of the Single market in the areas of financial services, energy and telecoms will be discussed as well as the issues of energy security and the EU's climate change policy. A special emphasis will be placed on the evolution and the challenges facing the Euro-zone. The opportunities in the emerging markets in Europe and the EU enlargement will be explored. The issues of sustainable international development and fair global trade will be covered extensively.

CREDITS: 3 credits

CONTACT HOURS: 45 hours

LANGUAGE OF INSTRUCTION: English

PREREQUISITES: None; however, some background in micro/macroeconomics; international relations; and/or business is desirable.

ADDITIONAL COST: None

METHOD OF PRESENTATION:

- Lectures, including guest lecturers
- Discussions of real-life case studies and debates on topical issues
- Student presentations
- Study visits to different financial institutions will be included in the course program.
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REQUIRED WORK AND FORM OF ASSESSMENT:

- Mid-term paper - 30%
- Individual case studies - 15%
- Class Participation - 15%
- Final Paper - 40%

The mid-term paper is a take home exam allowing students to discuss topical case studies on and doing business in Europe.
The individual case studies will assess the student's ability to discuss key EU policies and their impact on business.
Participation in discussion is a key component of the course. The discussion will be informal and participative.
The Final paper will give students the opportunity to showcase their acquired knowledge of European business.

LEARNING OUTCOMES:

BY THE END OF THE COURSE STUDENTS WILL BE ABLE TO:

- Possess a broad knowledge and understanding of European institutions, EU decision making and the European business environment.
- Identify the most topical issues in European integration and the business opportunities arising from them.
- Outline effective strategies for U.S/rest of the world businesses in Europe.
- Evaluate the structure and competitiveness of European business and the ways of doing business in the EU. Develop

a comprehensive knowledge of the most successful business campaigns conducted in the EU and develop an EU market entry and business operations strategy for both MNCs and SMEs

ATTENDANCE POLICY:

Regular class attendance is mandatory. Irregular attendance may result in a lower grade in the course, and/or disciplinary action. The IES Abroad London class attendance policy does not allow for unexcused absences, and grades will be docked one-half letter grade for each such absence. Rare exceptions will be made for the following reasons:

- The student is too sick to attend class. In this instance, the student must call the IES Abroad Centre before class to notify any of the IES Abroad staff. It is not sufficient either to email, send a message with a friend or call the Centre after the class has started.
- A serious illness or death in the immediate family requiring a student to travel home. This requires written approval from the Centre Director before departure.

Arriving more than 10 minutes late to class may count as an unexcused absence. Immigration laws in the UK are extremely strict, and we jeopardize our legal status in hosting students who do not regularly attend class. Students who do not attend class regularly will be reported to the appropriate officials and risk dismissal from the program and deportation from the UK. If a student incurs absences representing 25% of the total class hours, they will be contacted by the Academic Programme Manager (APM) and Centre Director (CD). If these absences are made up exclusively of unexcused non-attendance, this will trigger a disciplinary review. If these absences are made up of excused non-attendance, a meeting will be held to discuss the underlying reasons for lack of attendance, and to discuss ways it can be maintained for the duration of the term. If the 25% threshold is reached due to a mixture of excused and unexcused absences, students will also be asked to attend a meeting to discuss.

CONTENT

Week	Content	Assignments
Week 1	**What is the European Union?** An introductory session outlining, the role of the EU its relevance and the current challenges in the modern world. What is institutional change and what is the impact of Brexit on the Union? There will be discussion also on Europe's varying political geographies and the future role of the Union.	***Homework Readings*:** Suder, G., & Lindeque, J. (2018) *Doing Business in Europe,* 3rd edn (further SL) pp 1-16 Ch. 1: Introduction: The New European Business Environment; pp 19-56 Ch. 2: Landmarks of European Integration: How History and Politics Shape the Business Environment
Week 2	**Institutions and decision making in the EU.** The rationale for European integration and the challenges the EU will be discussed. The institutional players will be covered in detail as well as the rules and regulations for the European business environment. The concepts of Free Trade Area, Customs Union, Common market, Single market, EMU will be introduced in great detail.	***Homework Readings*:** Johnson, D, and Turner, *C. (2016) in European Business*, 3rd edn, (further JT) *pp 1-22* Ch.1 Europe: a portrait *and pp41-65 Ch. 3* The evolution of European Integration SL, pp 113-147 Ch. 4: Institutional players

Week 3	**Analysing the European Business environment after the British referendum** The causes for Brexit and its impact be comprehensively analysed. The case for Global Britain will also be scrutinized. The Brexit challenges and opportunities for the UK, the EU and the US will be discussed in detail.	**Homework Readings:** Rogers I. (2019) *Nine Lessons in Brexit* L *pp 417-425 Case study*: The Expansion of Alibaba Group into the European Single Market
Week 4	**The EU SINGLE MARKET** The SEM is seen as key to solving Europe's problems as it would allow wider availability of economies of scale, direct cost reductions, lower barriers to entry. Special attention will be paid to the European Single Market and the marketing strategies for successful penetration of US companies in the European market.	**Homework Readings:** JT.. *pp 85-104* Ch. 5 Single European market SL pp 159-195 Ch5: The Europeanization of a Business Environment & 293-325 Ch 8: Marketing in Europe SL pp 426- 431 Case study: Airbnb: Disruption in an Increasingly Competitive European Marketplace
Week 5	**What is the Economic and Monetary Union?** What is the history of the EMU, the current state of play and its prospects? The macroeconomic, political and constitutional issues of the Eurozone will be discussed. The current performance of the Euro, its competition with the Dollar and the prospects for a global currency will be analyzed in detail.	***Homework Readings:*** **JT Ch.8 Economic and Monetary Union, pp151-173** P 97 CASE STUDY 8.1: THE UK AND THE EURO CRISIS? P. *167* BOX 8.3 THE FISCAL COMPACT TREATY SL *,* CHAPTER 7: EUROPEAN ECONOMICS, FINANCE AND FUNDING PP 253-283
Week 6	**What is the impact of Brexit on the EU and the UK economy?** The impact of Brexit on the UK and the EU will be discussed well as the scenarios the future relationship between the UK and the EU. The UK government strategy for Brexit negotiations will be subject to a critical analysis. *Course-related trip:* The Bank of England	***Homework Readings:*** O'Rourke K., (2018) *A Short History of Brexit: From Brentry to backstop,* Chapter 11 Negotiations SL, pp*, 443-453 Case study*: The Irish Corporate Tax Bubble Close to Bursting: Apple and Pfizer
Mid-Term papers due		

Week 8	**EU Key Policies and their impact on US companies operating in Europe** The impact of EC key policies and regulations on US businesses operating in Europe will be discussed. The role of the EU regulatory regime will be analyzed in detail. A special attention will be paid to EU competition policy. EU labor market and policies: are they an opportunity or an obstacle for US companies?	**Homework Readings:** JT, PP 105-130 CH.6 EUROPEAN COMPETITION POLICY SL PP159-196 CH. 5 THE EUROPEANIZATION OF BUSINESS ENVIRONMENT SL, pp 454-459 CS: Ryanair: European Free Flight Plans? JT, PP 218-220 CASE STUDY 10.2: LOW COST AIRLINES – THE MAIN BENEFICIARIES OF THE SINGLE AIRLINE MARKET
Week 9	**EU Key Policies (2)** The EU energy policy deserves special attention. The EU and energy security, the European Energy Charter will be discussed comprehensively as well as the future of renewable energy in Europe, the attitudes to nuclear energy and shale gas. The EU transport policy as well as the EU digital agenda will be discussed.	**Homework Readings:** JT pp197 -224Ch.10 Transport in Europe JT pp. 283-302 Ch. 13 A Digital Agenda for Europe JT..*PP*, 299-300 CASE STUDY 13.3: THE EU AND GOOGLE JT. *P*, 184CASE STUDY 9.1: MOBILE ROAMING CHARGES JT. P189 CASE STUDY 9.2: THE COST OF A FLIGHT TICKET
Week 10	EU, Climate Change and Sustainable Energy: The principles of the EU climate change policy will be discussed as well as the EU in International Climate change negotiations. The post-Paris Agreement developments and the EU vision for the way forward will be discussed *Visit to the Science Museum*	**Readings** JT. *PP* 225-255 CH.11 ENERGY POLICY AND PP 256-282 CH. 12 ENVIRONMENTAL POLICY JT PP 250 -253 SHALE GAS - TO FRACK OR NOT TO FRACK? JT PP.*262-265,* BMW AND ENVIRONMENTAL SUSTAINABILITY SL PP.*432-442*, CS: A MATCH MADE IN (ECO)HEAVEN: HOW TESLA BECAME NORWAY'S #1 SELLING VEHICLE
Week 11	**Enlargement of the European Union** The EU Enlargement: history, problems and controversial issues, future trends will be discussed in detail. Emerging markets in the EU: what opportunities are there for US companies? EU enlargement and the EU Good Neighborhood Policy- progress and issues.	**Homework Readings**: JT pp331-358., Ch. 15 Europe in a global context JT pp.*359-377*, Ch, 16 Engaging with the European space: enlargement and neighborhood policy SL pp, *480-487 C*ase study Internationalization of Lukoil: A Russian Push and Pull Strategy in Europe JT PP,*371-372* CASE STUDY 16.2: ENLARGEMENT FROM WITHIN - SECESSION AND EU MEMBERSHIP
Week 12	**European business in the developed world** **EU-U.S. Relations** The state and the future of the Transatlantic relations will be analyzed. The areas of cooperation cover the future of global trade, protection and promotion of foreign direct investments, the role of regulatory mechanisms, Intellectual property rights. The Trans-Atlantic Trade and Investment Partnership: a critical appraisal. What is the way forward?	**Homework Readings:** 378-396 JT, *pp.* Ch. 17 European business in a global context – the developed world JT, *PP.* 381-382 CASE STUDY 17.1: FDI IN EUROPE JT, *P393* CASE STUDY TTIP AND THE UK NHS

Week 13	**External Trade Policy** The role of the EU in sustainable development and the EU and the WTO cooperation in liberalization of global trade will be covered. A special attention will be paid to EU free trade agreements- - CETA with Canada, Japan, Singapore, India, etc. What lessons could be learned by the US and the UK? **Individual presentations**	**Homework Readings:** JT pp 397- 426 Ch18 EU and the BRICS JT pp 355 Case study 15.2: The EU- China Solar Power anti-dumping dispute SL, PP 373-393 CH. 10: COMPETING INTERNATIONALLY *SL*,.C460-464 CASE STUDY MANAGING EMERGING MARKET ACQUISITIONS IN EUROPE
Week 14	***Submission of Course Projects***	

REQUIRED READING

Johnson, D, and Turner, *C. (2016) in European Business*, 3rd edition, Routledge, London Suder, G, & Lindeque, J. (2018), *Doing Business in Europe,* 3rd edition SAGE Publications Ltd; LA, London, New Delhi

RECOMMENDED READING:

Kearns, I, (2018) *Collapse: Europe after The European Union,* Biteback Publishing, Great Britain
Kenealy, D, Peterson J, Corbett R., (Eds) (2018) *The European Union: How does it work? (New European Union* Series),4th edition., Oxford University press, Oxford

McCormick, J (2017) *Understanding the European Union: A Concise Introduction* (The European Union Series), 7th edition, Palgrave, Croydon
Modi, A (2018) *Euro Tragedy: a drama in nine acts,* Oxford University Press, Oxford
Pinder, J, Usherwood, S (2018) *The European Union: A Very Short Introduction (*Very Short Introductions), 3rd edition, Oxford
O'Rourke K, (2018) *A Short History of Brexit : From Brentry to backstop,* Penguin Random House, London
Stiglitz*,* J (2017) *The Euro: and its threat to the future of Europe*, Penguin, London
Rogers, I (2019) *Nine Lessons in Brexit,* Short Books Ltd, London
Varoufakis, Y (2018) *Adults in the Room: my battle with Europe's deep establishment, The Bodley Head, London*