

**DRAFT SYLLABUS**  
**GBE 790 GLOBAL BUSINESS EXPERIENCE (London)**  
**Spring 2020**  
**European Monetary Union: Past, Present, and Future**

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### **Course Description**

This course will examine the political and financial framework of European Monetary Union, with an emphasis on the changing role of financial centers and the operation of the Euromarkets within the union. Students will learn about the original convergence criteria for monetary union and the path each major country took toward that union. We will then discuss the unique challenges such a common currency brings to each country depending on the relative strength or weakness of their economies. Students will then work in groups for further research leading to presentations in advance of our trip.

### **Course Objectives**

#### Knowledge

- To provide students an understanding of the origination and development of European Monetary Union, as well as the political and financial developments since launch.
- To understand the evolving role of financial centers in the Euromarkets and the importance of that role in global capital markets.
- To understand about business practices in the Euromarkets and how they connect with the rest of Europe in financial and trade relationships.
- To provide an opportunity for Bentley students to interact with local business leaders and understand the cultural differences and similarities between American practices and theirs.

#### Skills

- To gain an appreciation for the complex interaction between a common currency and the resulting trade imbalances depending upon the strength of each economy.
- To learn about critical success factors for financial firms in financial centers, particularly as they relate to business in Europe.
- To learn and practice culturally appropriate behavior in a business setting.
- To translate the knowledge from study of the financial center's past to help envision its future position within Europe.

## Group Project

You will be divided into groups of 4 students for your project. To help facilitate your meetings outside of class, you will be allowed to self-select members of your group, but only if you can coordinate a full group of 4 students. If you can do so, please nominate a team leader who should contact Professor Claude Cicchetti of the Finance Department ( [ccicchetti@bentley.edu](mailto:ccicchetti@bentley.edu) ) before January 10<sup>th</sup>, 2020 with the names of everyone in your group, and your top 3 choices for topics (below.) It is not a problem if you do not form a group, as groups and topics will be finalized at our first meeting.

Our opening class session on Tuesday January 14<sup>th</sup> will cover the following topics as an introduction to the course and to the research you will do in teams.

- The monetary convergence criteria at the start of European monetary union.
- The impact of the Euro depending on the macroeconomic conditions within each country

Each team will produce a report examining the background conditions facing financial firms before our trip. The deliverables are a 5-7 page report with citations, plus a PowerPoint presentation. The report and PowerPoint presentations are due for all groups on **Monday, February 10<sup>th</sup> at 9am**. You should plan for your presentation to last about 20 minutes, to be followed by 10 minutes of Q&A. You may incorporate helpful and interesting video clips into your presentation, but these should not last longer than 5 minutes in total for each group. All students in a group should take part in the research, analysis, writing, and presentation. The group topics are below. Feel free to include further information or research, but be careful to stay within your topic and not to stray into another group's analysis.

### I. The European Union

- Provide a short history of the creation of the EU. What problems did the creation of the EU intend to address? Did it generate other difficulties?
- What is the difference between the EU and the monetary union? What problems did the monetary union intend to address?
- What problems do Greece and Portugal face with a (relatively) strong currency like the Euro? What benefits does Germany accrue from a (relatively) weak currency like the Euro?
- What is the Schengen agreement? What are the current challenges to the agreement?
- How is membership in the EU determined? Monetary Union?

### II. London as a Euro-market Center

- Give an overview of the historical importance of the foreign exchange market to London.
- Explain the meaning and function of Eurodollars, Eurodeposits, and Eurobonds.
- Explain the advantages of US companies raising funds in the Euromarkets.
  - Taxation
  - Regulatory
  - Disclosure

### **III. The UK's Avoidance of Monetary Union**

- What was the UK's position regarding monetary union at the creation of the Euro?
- Would the UK have qualified if they desired to enter monetary union?
- Evaluate the historical movement of sterling against the dollar over the past 30 years noting the reasons for major market movements
- Evaluate the historical movement of sterling against the euro over the past 20 years noting the reasons for major market movements, especially the sterling crisis described as 'breaking the Bank of England.'

### **IV. Trade between the UK and Europe**

- Explain the UK's balance of payments positions. (Goods, services, portfolio investment, direct investment, monetary reserves, ...)
- Who are UK's trading partners within Europe? Outside Europe?
- What are UK's principal domestic and export industries? Principal imports?
- What are UK's migration flows into and from Europe?

### **V. Political History of the United Kingdom**

- Give a (very brief) overview of British history.
- Explain the distinctions between England, Great Britain, and the United Kingdom.
- What were 'the troubles' and how was it resolved?
- Explain the British positions from 1990 – 2020 regarding political union.
- What is the current state of relations among England, Scotland, Wales, and Northern Ireland?
- What is the controversy about the "Irish Backstop?"
- What are the current relations with Europe, the US, China, and Russia?

### **VI. Current Overall Business Climate in the United Kingdom**

- Is the UK getting stronger or weaker within Europe?
- What do foreign investors like or dislike about the business climate in the UK?
- How does the culture of the UK affect the business climate?
- What is the general regulatory environment of the UK?
- How do UK labor regulations compare to those in Europe?
- Discuss issues of labor mobility into and out of the UK.

### Pre-Session Meeting Times (TBA)

*We will have five group classroom meetings during February and early March. Some of the time will be spent on trip logistics, but the bulk will be for your groups to give presentations of your group project research. Once we know your spring schedules, we will plan out times that work for the majority of students.*

### Course Assessment

<u>Assignment</u>	<u>Weight</u>	<u>Type</u>	<u>Brief Description</u>
Background Project	20% (report) 10% (presentation)	Team	Each team will produce a 5-7 page report and a 20-30 minute PowerPoint presentation on one of a series of topics to be assigned.
Project Evaluation	extra credit	Individual	Students will be asked to assign extra credit to those that went above group expectations. Extra credit will be assigned based upon the instructor's evaluation of the student suggestions.
Participation	20%	Individual	Each student will be evaluated based upon: <ul style="list-style-type: none"> <li>attendance in all class sessions,</li> <li>participation in class sessions</li> <li>participation in site visits in terms of attentiveness, interest shown, and questions</li> <li>Helpfulness in group dynamics and inclusiveness while traveling</li> </ul>
Preparation	10%	Team	Each team will be assigned to prepare and present background information on each company we visit and are expected to lead questions for our hosts
Reflections	10%	Team	Each team will be assigned to lead to a class reflective discussion following each of our visits.
Final Report	30%	Individual	Each student will prepare a 5-7 page final report of their learning, team work, and field trip experiences. The report requirements will be based upon company visits during the trip and will be communicated to students at the end of the trip and will be due three weeks later.

**Draft Itinerary (subject to change)**

**Curricular Tie**

March 07 (Sat):	Depart Boston, 6:55pm; BA0212	
March 08 (Sun):	Arrive London (6:30am local time) Group Breakfast <i>London City Bus (tour)</i> Group Lunch Check in at hotel Millennium Gloucester, 4-18 Harrington Gardens London, United Kingdom SW7 4LH <i>Tower of London (tour)</i> Group Dinner 6pm <i>Free time after 7:30pm</i>	
March 09 (Mon):	State Street Bank (10am) Group Lunch with financial speaker (noon) Goldman Sachs (2pm) Group Meeting (4-5pm) <i>Free time after 5pm</i>	<i>European FX/Eurobond market practices (TBA)</i> <i>The European Investment Banking Market</i> <i>Reflections on Visits</i>
March 10 (Tue):	<i>Houses of Parliament (tour)</i> <i>St. Paul's Cathedral</i> Group Lunch <i>Millennium Bridge</i> <i>Tate Modern Museum</i> <i>Globe Theatre (tour)</i> Group Meeting (4-5pm) <i>Free time after 5pm</i>	
March 11 (Wed):	Cambridge Associates (10am) Group Lunch with financial speaker (noon) Fidelity Investments (2pm) Group Meeting (4-5pm) Group Dinner 6:30pm <i>National Theatre Play TBA (8pm)</i>	<i>Institutional investor perspective (TBA)</i> <i>UK/European pension markets</i> <i>Reflections on Visits</i>
March 12 (Thu):	<i>Bus tour to Windsor Castle / Stonehenge, 8am – 5pm.</i>	
March 13 (Fri):	Free day	
March 14 (Sat):	Free day Group Dinner 7pm	
March 15 (Sun):	Depart London, 11:20am: (BA0213) Arrive Boston, 2:55pm	

## **Writing Center**

Writing is important and will be part of your case study grades. The Writing Center offers one-on-one tutoring to students of all years and skill levels. Located on the lower level of the Bentley library (room 023), the Writing Center provides a welcoming and supportive environment in which students can work on writing from any class or discipline. Writers are encouraged to visit at all stages of the writing process; they can come with a draft, an outline, or just some initial thoughts and questions. Staffed by highly skilled student tutors, the Writing Center is open six days a week. Drop-ins are welcome, but appointments are encouraged and can be made online at [bentley.mywconline.net](http://bentley.mywconline.net) or by phone at 781.891.3173. For hours and additional information, visit our website at [bentley.edu/writing-center](http://bentley.edu/writing-center).

## **Academic Integrity**

Learning is a privilege that demands responsibility. At Bentley, students and faculty are members of an academic community that supports integrity both inside and outside the classroom. The expectation at Bentley is that students will take advantage of the opportunity for intellectual development and, in doing so, will conduct themselves in a manner consistent with the standards of academic integrity. When these standards are violated or compromised, individuals and the entire Bentley community suffer. Students who engage in acts of academic dishonesty not only face university censure but also may harm their future educational and employment opportunities. In other words, don't bring unauthorized materials into exams, don't plagiarize someone else's work, and make sure that your collaborations are conducted in accordance with university and course policy.

All students have access to Bentley's academic integrity policy on Blackboard (via the Academic Integrity course page) and the Undergraduate Student Handbook/Graduate Catalog. The best way to avoid a problem is to consult with your instructor before taking any action that might constitute a violation.

## **Disability Issues**

Bentley University abides by Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990 which stipulate no student shall be denied the benefits of an education solely by reason of a disability. If you have a hidden or visible disability which may require classroom accommodations, please call the Office of Disability Services within the first 4 weeks of the semester to schedule an appointment. The Office of Disability Services is located in Academic Services (JEN 336, 781.891.2004). The Office of Disability Services is responsible for managing accommodations and services for all students with disabilities.

## **ESOL Center**

The ESOL Center offers English language support for writing and all coursework to students who are English Speakers of Other Languages (ESOL). Faculty tutors who specialize in working with multilingual students can offer feedback and strategies for writing at any stages from brainstorming through the drafting and organizing process. Additionally, students can receive help related to research, documenting sources, Power Point slides, pronunciation, oral presentations, resumes, cover letters and interview practice. The ESOL Center is located in Room 26 of the Bentley Library (ground level), down the hall from the Help Desk. You can make an appointment by going to [bapps.bentley.edu](http://bapps.bentley.edu) and clicking on the ESOL Center, by calling 781-891-2021, or by dropping by the ESOL Center during the hours of operation to see if a tutor is available. Day and evening appointments are available.