



Boston University Study Abroad  
Paris

## **CAS EC 330 The European Business Environment: Institutions and Enterprise**

**Credits:** 4

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**Schedule:** 16 two-and-a-half hour sessions over 7.5 weeks  
(Monday & Wednesday -9.30-12.00 am + 2 additional sessions)  
**Office hours:** By appointment either before or after class  
**Course visits:** Two French firms operating in the European business environment  
**Course material:** Articles available on Blackboard (<http://learn.bu.edu>)

### **I. COURSE PRESENTATION AND OUTCOMES**

The first decade of the 21st century has been decisive for the future of Europe. Several Central and Eastern European countries as well as some Southern European countries have integrated the European Union. The Europe of the 6 is now the Europe of the 28, and might be one day the Europe of the 29 or more.

This course provides an introduction to the European Union (EU) system of regional convergence ("integration"). This system operates via "competences" ceded to, or shared with, EU institutions by 28 member states, whose aggregate population is some 508 million. The European business environment is powerfully shaped by these competences, which exist in such issue-areas as trade policies with the rest of the world; competition policy; the role of state-aid; land, air and water transportation; transEuropean networks; energy security and environmental regulation; consumer protection; ....

This regional integration has experienced immense advances, at least on the economic front. Beyond the peace reached by the European Union, other landmark achievements speak to the progress the EU has realized: the establishment of a vast, borderless internal market uniting 28 nations; the monetary integration with the introduction of a single currency, the Euro, adopted by 18 nations; and the integration of neighboring nations in Eastern Europe. But today, the Union faces a confluence of crises that condemn it to either reinforce itself or disappear altogether: a financial and monetary crisis that puts the shared currency at risk; an economic and social crisis sinking the EU into the worst recession; a crisis of sovereign debts; crises in neighboring states; a crisis of solidarity; and a crisis of weakness on the global stage.

The course identifies key issues facing EU Member States, institutions, businesses and peoples; highlights different economic orientations, and provides learning and skills at the interface between international business and international relations.

This course identifies key present and future issues facing EU institutions and member states, notably the rules of the game for firms evolving in the European market and whether the proposed Transatlantic Trade and Investment Pact (TTIP) between the EU, US and North American Free Trade Area (NAFTA) will resolve or further complicate EU convergence.

Hence this course will combine a theoretical approach of the EU's business environment and a practical perspective through case studies focusing on the impact of this environment on individual firms.

The course, including additional seminars and visits, is conducted in English.



### **Outcomes**

By the end of this course, students will have developed

- a thorough understanding of the EU's motto and of the European Union in its economic dimension;
- the ability to discuss major current issues and debates in the EU today;
- the ability to identify and assess risks and future challenges for firms evolving in the European business environment.

## **II. ASSESSMENT AND GRADING**

### **Oral presentation: 20%**

Working in groups of two, students will prepare a 15 minute presentation based on independent investigation, including a typed outline and a PowerPoint presentation. Presentation topics will be assigned during the first week of class. They will focus on economic data, include comparisons with the United States and cover a variety of themes associated with subjects studied in class (unemployment rates and policies, growth differences, public debts and deficits, etc.).

### **In-class case study: 15%**

Following a 1-hour in-class brainstorming, students working in groups will present the pros and the cons of European competition policy for actual individual firms. This exercise will be prepared through a previous case study about the consequences of trade bilateral agreements.

### **Quizzes: 20%**

10-minute quizzes will check in on students' comprehension of the course content. The goal is to give students an incentive to read their notes and understand the main concepts and messages every week.

### **Term paper: 20%**

Students will write an extensive report about the business strategies of a European firm, compiling all information and analysis gathered throughout the semester. This final version will be considered as a take-home final exam and the deadline for final submission will be 6 pm on the last day of the exam week. It will be a typed document of 30 000 characters (spaces included). Firms will be assigned during the first week and will be key players in the food, pharmaceutical, car makers industries.

### **Term paper preparation: 20%**

To help finalize this report, students will complete regular on-line assignments (4), requiring information and analysis about specific aspects of the firm they study. Progress and interactions with the professors will be taken into account for this part of the grade. A session is devoted to discussion on each firm.

### **Participation: 5%**

Class participation takes into account each student's contribution to questions and discussions around class topics (including visits) throughout the course. This does not include individual briefings (term paper preparation) and group presentations (in-class case study).



### Attendance Policy

- 1 absence (class session or activity) = -1 point on the overall grade
- 4 or more unexcused absences = grade of F for the course
- Missed assignment or test = grade of 0 for the assignment
- Plagiarism on an assignment = grade of 0 for the assignment

*NB: Excused absences must be justified by a doctor's note or a scheduled internship interview.*

### Plagiarism (BU Policy)

All students are responsible for having read the Boston University statement on plagiarism, which is available in the Academic Conduct Code. Students are advised that the penalty against students on a Boston University program for cheating on the examinations or for plagiarism may be 'expulsion from the program or the University or such other penalty as may be recommended by the Committee on Student Academic Conduct, subject to approval by the dean.' Read the full Academic Conduct Code online at <http://www.bu.edu/academics/policies/academic-conduct-code/>.

## III. CALENDAR

### Session 1: INTRODUCTION TO THE SEMINAR - THE EUROPEAN CONSTRUCTION

#### Questions for discussion

- How can you define "Europe" ?
- What goals does the EU seek to achieve ?

#### Readings

- ✓ Schuman R. (1950), Schuman declaration (3p)  
<http://www.robert-schuman.eu/en/doc/questions-d-europe/qe-204-en.pdf>
- ✓ Fischer J. (2000), "The nation-state is irreplaceable", Speech at the Humboldt University in Berlin, 12 May (10p)  
[http://centers.law.nyu.edu/jeanmonnet/archive/papers/00/joschka\\_fischer\\_en.rtf](http://centers.law.nyu.edu/jeanmonnet/archive/papers/00/joschka_fischer_en.rtf)
- ✓ Vedrine H. (2000), "Response to Joschka Fischer", Le Monde (3p)  
[http://www.cvce.eu/content/publication/2005/7/20/75c914f2-a7d9-4503-b073-5daf8ea89994/publishable\\_en.pdf](http://www.cvce.eu/content/publication/2005/7/20/75c914f2-a7d9-4503-b073-5daf8ea89994/publishable_en.pdf)

### Session 2: THE EUROPEAN INSTITUTIONS

#### Questions for discussion

- What are the main characteristics of the European institutions?
- What are the main implications of EU integration on institutions?

#### Reading

- ✓ Chopin T. & Lefebvre M. (2010), "Three Phone Numbers for Europe: Will the Lisbon Treaty Make the European Union More Effective Abroad?", US – Europe analysis series number 43 , The Brookings Institution Center on the United States and Europe (10p)  
<https://www.brookings.edu/research/three-phone-numbers-for-europe-will-the-lisbon-treaty-make-the-european-union-more-effective-abroad/>



### Session 3: THE EUROPEAN BUDGET

#### Quiz 1

##### Questions for discussion

- What are the main differences with national budgets?
- What are the priorities of the current EU budget?

##### Readings

- ✓ Peet J. & Tindale S. (2012), "The European Union budget 2014-20: More boldness needed", Centre for European Reform: Policy Brief (8p)  
[http://www.cer.org.uk/sites/default/files/publications/attachments/pdf/2012/pb\\_budget\\_5\\_april12-4897-4947.pdf](http://www.cer.org.uk/sites/default/files/publications/attachments/pdf/2012/pb_budget_5_april12-4897-4947.pdf)
- ✓ European Commission, Directorate-General for the Budget (2014), "Multiannual financial framework 2014-2020 and EU budget 2014" (30 p)  
<http://bookshop.europa.eu/en/multiannual-financial-framework-2014-2020-and-eu-budget-2014-pbKV0413055/?CatalogCategoryID=mpgKABstFogAAAEjbiUY4e5K>

### Session 4: THE ECONOMIC SITUATION OF THE EU

#### Graded oral presentations: economic characteristics of the EU

##### Questions for discussion

- What was the euro sclerosis?
- What is the strategy Europe 2020?
- What are the main features of EU economic integration and the European economy?

##### Reading

- ✓ Directorate-General for Economic and Financial Affairs. European Economic Forecast. Spring 2016. European Economy, Institutional Paper (200 p)  
[http://ec.europa.eu/economy\\_finance/publications/eeip/pdf/ip025\\_en.pdf](http://ec.europa.eu/economy_finance/publications/eeip/pdf/ip025_en.pdf)

### Session 5: EU TRADE (Stephanie MONJON)

#### On-line assignment for the Term paper

##### Questions for discussion

- What are the rules applied to trade between the member states of the EU?
- How do they coordinate their external trade policy?
- What is the role of the bilateral trade agreements?

##### Reading

- ✓ Woolcock S. (2010), "The Treaty of Lisbon and the European Union as an actor in international trade" ECIPE Working Paper No. 1/2010.  
[http://www.ecipe.org/media/publication\\_pdfs/the-treaty-of-lisbon-and-the-european-union-as-an-actor-in-international-trade.pdf](http://www.ecipe.org/media/publication_pdfs/the-treaty-of-lisbon-and-the-european-union-as-an-actor-in-international-trade.pdf)
- ✓ Bartels L. (2007), "Trade and Development Policy of the EU", European Journal of International Law Vol. 18 no. 4  
<http://ejil.org/pdfs/18/4/241.pdf>
- ✓ International trade in goods: [http://ec.europa.eu/eurostat/statistics-explained/index.php/International\\_trade\\_in\\_goods](http://ec.europa.eu/eurostat/statistics-explained/index.php/International_trade_in_goods)



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## Session 6: BILATERAL AGREEMENT

### Quiz 2

#### Case study practice

## Session 7: EUROPEAN COMPETITION POLICY

### On-line assignment for the Term paper

#### Questions for discussion

- What are the main features of EU competition policy ?
- Why is the removal of state aid very difficult ?
- What are the main differences with the US antitrust policy ?

#### Readings

- ✓ European Commission (2015) "European competition policy in action" (54p)  
<http://ec.europa.eu/competition/publications/kd0216250enn.pdf>
- ✓ European Commission (2015) "Report on Competition Policy 2014", report from the commission to the European parliament, the council, the European economic and social committee and the committee of the region (19p)  
[http://ec.europa.eu/competition/publications/annual\\_report/2014/part1\\_en.pdf](http://ec.europa.eu/competition/publications/annual_report/2014/part1_en.pdf)
- ✓ - Petropoulos G. (2016) "Brexit and competition policy in Europe", (5p)  
<http://bruegel.org/2016/07/brexit-and-competition-policy-in-europe/>

## Session 8: EUROPEAN COMPETITION

### Graded competition case study

## Session 9: TERM PAPER DISCUSSION

Discussion based on 2 pages synthesis to prepare the final term paper

## Session 10: ENERGY POLICY

### Quiz 3

#### Questions for discussion

- What are the features of the European energy situation?
- How is the reorganization of European energy industries working?
- How different is the European energy situation compared to the US one ?

#### Readings

- ✓ Ratner M. (2013), "Europe's Energy Security: Options and Challenges to Natural Gas Supply Diversification" Congressional research service (33p)  
<https://fas.org/sgp/crs/row/R42405.pdf>
- ✓ RTE (2015), "France Electricity Report for 2014 " RTE France (16 p)  
[http://www.rte-france.com/sites/default/files/2015\\_01\\_27\\_pk\\_rte\\_2014\\_french\\_electricity\\_report.pdf](http://www.rte-france.com/sites/default/files/2015_01_27_pk_rte_2014_french_electricity_report.pdf)



### Session 11: ENVIRONMENTAL POLICY (Stephanie MONJON)

#### Questions for discussion

- What are the objectives of the EU environment policy?
- Why is the environment policy an EU policy?
- How is the EU environment policy implemented in each member state?

#### Readings

- ✓ EEA (2016), The changing context of European environmental policy  
<http://www.eea.europa.eu/soer-2015/synthesis/report/1-changingcontext>
- ✓ EEA (2013), Towards a green economy in Europe - EU environmental policy targets and objectives 2010...-2050  
<http://www.eea.europa.eu/publications/towards-a-green-economy-in-europe>

### Session 12: VISIT OF A FRENCH FIRM (to be confirmed)

#### On-line assignment for the Term paper

### Session 13: ENERGY POLICY

#### Quiz 4

#### Questions for discussion

- Is there a common European energy policy ?
- What are the main challenges of the European MS in terms of security of supply?

#### Readings

- ✓ Holmes I., Bergamaschi L. and Mabey N. (2014), "Energy efficiency as Europe's first response to energy security", E3G BRIEFING, June 2014 (10p)  
[https://www.e3g.org/docs/E3G\\_Briefing\\_June\\_2014\\_Energy\\_efficiency\\_as\\_Europe%E2%80%99s\\_first\\_response\\_to\\_energy\\_security.pdf](https://www.e3g.org/docs/E3G_Briefing_June_2014_Energy_efficiency_as_Europe%E2%80%99s_first_response_to_energy_security.pdf)
- ✓ Beckman K. (2015), "The Energy Union: it's now or never for a European energy policy" (5 p)  
<http://energypost.eu/energy-union-now-never-european-energy-policy/>

### Session 14: CLIMATE CHANGE POLICY (Stephanie MONJON)

#### Questions for discussion

- What role the EU has played in the international climate negotiations?
- How the EU climate policy is defined?
- How the greenhouse gas emissions have evolved in the EU since the Kyoto protocol?

#### Readings

- ✓ National Geographic (2014). 5 Key Takeaways From the Latest Climate Change Report  
<http://news.nationalgeographic.com/news/2014/11/141102-ippc-synthesis-report-climate-change-science-environment/>
- ✓ Damro C., I. Hardie & D. (2008), 'The EU and Climate Change Policy: Law, Politics and Prominence at Different Levels', Journal of Contemporary European Research, Vol. 4, No. 3, pp.179-192.  
<http://www.jcer.net/index.php/jcer/article/viewFile/110/103>



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### Session 15: VISIT OF A FRENCH FIRM

### Session 16: CONCLUSION

Term Paper due (take home final exam)

## IV. ADDITIONAL BIBLIOGRAPHY

### Books

Baldwin R. & Wyplosz C. (2015), "The Economics of European Integration", McGraw-Hill Inc.,US.

Bhattacharyya, S. (2011), "Energy Economics: Concepts, Issues, Markets and Governance", 1st Edition., 2011, XXVI, 721 p. 267 illus., 83 in color.

European Commission (2015) How the European Union works: Guide to the EU institutions

<http://bookshop.europa.eu/en/how-the-european-union-works/bNA0414810/>

Harrington, W., R.D. Morgenstern and T. Sterner (eds), 2004. Choosing Environmental Policy, Resources For the Future, Washington DC.

Johnson, D & Turner, C (Eds) (2016) European Business (3e), Routledge

### Websites specialized on the EU

- ✓ European Union: [http://europa.eu/index\\_en.htm](http://europa.eu/index_en.htm)
- European Commission: <http://ec.europa.eu/>
- European Parliament: <http://www.europarl.europa.eu/>
- European council: <http://www.european-council.europa.eu/the-institution.aspx?lang=en>
- Council of the EU: <http://www.consilium.europa.eu/homepage.aspx?lang=en>
- Fondation Schuman : <http://www.robert-schuman.eu/>
- Eurostat : <http://epp.eurostat.ec.europa.eu/portal/page/portal/eurostat/home/>
- Toute l'Europe (in French): [www.touteurope.fr/](http://www.touteurope.fr/)