



STUDY PROGRAMME(S)

(1) EU International Relations and Diplomacy Studies

(2) Transatlantic Affairs

ACADEMIC YEAR

2018-2019

SEMESTER

2

COURSE TITLE

Analysis and Management of Political Risk for EU Policies and Business

COURSE PROFESSOR

Marc SCHELHASE

COURSE ASSISTANT(S)

Aleksandra TOR

NATURE OF COURSE (COMPULSORY, OPTIONAL, ELECTIVE)

(1) Optional course

(2) Elective Course

ECTS CREDITS

4.5

LANGUAGE OF INSTRUCTION

English

1. COURSE OBJECTIVES

The study of risk has become increasingly prominent over recent decades, and the language of risk has emerged as a dominating feature of contemporary policy making and policy analysis. Part of this conception of risk is political risk, and here in particular the analysis and management of it. Political risk analysis, for the purpose of this course, focuses on the analysis of risks faced by investors, governments and the European Union (EU) as a whole. On the one hand, it evaluates the political context in which investments take place, taking into account not only government or EU policies towards the economy, for example regulatory regimes, but also other risks such as political violence, corruption, organised crime, or social and environmental risks. On the other hand, as the 2008 financial crisis and the debt crisis in Europe have demonstrated, political risks arising from these crises have very real and often deeply disruptive effects on national, regional and global levels. Recent events such as the ongoing crisis in the Ukraine, Brexit and the election of US President Donald Trump are also timely reminders of the relevance of political risk analysis. The course strikes a balance between an understanding of – and critical reflection on – the theoretical aspects of risk and practical insights into risk management. Based on an understanding of the wider concept of risk, the aim of the course is therefore to provide students with a solid understanding of political risks. Consequently, the course will enable students to think strategically about not just how to identify risks, but also how to evaluate and manage those risks.

At the end of the course, the student will be able to

- critically evaluate key discourses in relation to risk and risk management
- think strategically about how to identify risks
- design strategies aimed at evaluating and managing political risk
- apply the knowledge of risk and risk management to case studies, including in EU external relations



2. LEARNING OUTCOMES

The course objectives tie in with the following learning outcomes of the programme **EU International Relations and Diplomacy Studies**:

- 1.1 The graduate masters the most important theoretical approaches and concepts of International Relations, EU Studies and Diplomacy Studies relevant for the analysis of the role of the European Union in international affairs.
- 1.2 The graduate can describe, explain and illustrate the current state of scientific research in the field of EU external relations in a broad sense and is able to critically assess the results of this research.
- 1.4 The graduate has acquired insights into the political, legal and economic aspects of EU external action and can use these insights to contextualise and interpret new developments.
- 2.2 The graduate has the ability to critically reflect upon problems in international and European affairs, to adopt well-informed points of view and to communicate them effectively orally and in writing, whether working independently or in a team.
- 2.3 The graduate can independently formulate a research question within the field of European affairs, find, select and critically assess relevant sources, answer the question using typical concepts and methods and present the research results in line with the ethical rules of the discipline.
- 2.4 The graduate is capable of processing a large amount of information within a short period of time and to work efficiently and effectively through planning, organising, setting priorities and meeting deadlines.
- 2.5 The graduate has the intellectual maturity and skills to function responsibly and autonomously in a professional context at national, European or international level and the capacity of suggesting possible action that contributes to problem-solving in a creative way.
- 3.2 The graduate has acquired profound insights into specific fields of EU foreign economic policies and related challenges of sustainable development.

The course objectives tie in with the following learning outcomes of the programme **Transatlantic Affairs**:

- 1.1 The graduate masters the most important theoretical approaches and concepts of, depending on his or her disciplinary focus, Economics, International Relations and Diplomacy Studies, Legal Studies and/or Political Science relevant for the analysis of transatlantic affairs.
- 1.2 The graduate can describe, explain and illustrate the current state of scientific research in the field of transatlantic affairs in a broad sense and, is, in line with his or her disciplinary focus, able to critically assess the results of this research.
- 1.4 The graduate has insights into historical, political, legal and economic aspects of transatlantic affairs as well as into those policy areas that are of essential importance to transatlantic affairs. He or she can use these insights to contextualize and interpret new developments.
- 2.2 The graduate has the ability to critically reflect upon problems regarding an extensive range of transatlantic affairs, to adopt well-informed points of view and to communicate them effectively orally and in writing, whether working independently or in a team.
- 2.3 The graduate can independently transform complex transatlantic issues into a research question within the broader field of transatlantic affairs and, depending on his or her disciplinary focus, find, select and critically assess relevant sources, answer the question using appropriate concepts and methods and present the research results in line with the ethical rules of the chosen discipline.
- 2.4 The graduate is capable of processing a large amount of information and appropriately analyse relevant sources depending on his or her disciplinary focus within a short period of time and of suggesting possible actions that contribute to problem-solving in a creative way.
- 2.5 The graduate has the intellectual maturity and skills to take responsibilities and function autonomously in a professional environment at national or international level, and especially in a transatlantic context, and to work efficiently and effectively through planning, organizing, setting priorities, meeting deadlines, cooperating across cultural boundaries and networking.



3. COURSE CONTENTS

Session 1	Introduction to the course and course outline
<i>Part 1:</i>	<i>Risk</i>
Session 2	Conceptualising risk
Session 3	Risk-based policy-making
<i>Part 2:</i>	<i>Managing risks for EU policies and business</i>
Session 4	Practical insights into risk and risk management
Session 5	Regulating risk: Regulatory regimes and their limits
Session 6	Ranking risks: Rating agencies
<i>Part 3:</i>	<i>Political risk analysis in context</i>
Session 7	Political risk analysis 1: Corruption, organised crime and money laundering
Session 8	Political risk analysis 2: Terrorism, piracy and cyberspace
Session 9	Political risk analysis 3: Corporate social responsibility, human rights and environmental risks
<i>Part 4:</i>	<i>Political risk analysis in practice</i>
Sessions 10-12	Student group presentations and discussions
Session 13	Concluding session and exam preparation

Please refer to the intranet course page for access to the full course outline.

4. TEACHING METHOD

- Interactive lectures complemented by the screening of short clips taken from documentaries and movies.
- Group work: Each group of students prepares a core reading and debates its main arguments with the other groups.
- Group oral presentations on case studies of risk analysis
- Individual paper assignment
- A guest lecturer may be invited

Please refer to the intranet course page for access to further information.

5. COURSE MATERIAL

Please refer to the intranet course page for access to the detailed reading list (required and supplementary readings) and the slides.

6. EVALUATION

- oral presentation (20%)
- class paper (30%)
- written exam (50%): duration 2h, closed book (except for a language dictionary)

In case of a second-session resit, the 2h written exam counts for 100% of the mark.

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