Global Economic Environment

**BACKGROUND QUESTIONS:**

“*Will the euro (€) survive as a currency throughout the next 20 years?*”

In order to prepare your presentations, you should use the following questions and references as a starting point. You may also want to look for additional references. In preparing your slides, please remember your presentation should take a maximum of 3 minutes. You will then get a 2 minute rebuttal of the other team’s presentation.

- What are the advantages and disadvantages to having a singular European currency? Do certain countries receive higher benefit by adopting the euro than others? When have countries suffered due to their adoption of the euro? When would it be advantageous for a country to have a unique currency and when would it be disadvantageous?

- What economic power does a country sacrifice when adopting a ubiquitous currency? What happens when you are unable to mobilize independent monetary policy? What do countries hope to receive from the common currency in return? How does one measure the risk of the exposure to the economics and decisions of its neighboring countries? Is there an increase to economic stability as well?

- Historically, what global events have put the currency at risk since its inception in 1995? How has the European Union responded to the debt crises it has had to face? Who are the PIIGS and the SIC(K) PIIGS? Will the euro continue to face similar problems in the future?

- Beyond the pure economics of the euro, how is the currency exposed to the politics European countries? What political / global benefit does the shared currency provide?