

Margin Call Paper

Film

Margin Call. Dir. J. C. Chandor. Perf. Kevin Spacey. Roadside Attractions, 2011. DVD.

Selected Reviews

"...relentless in its honesty and shrewd in its insights and techniques... an extraordinary feat of filmmaking"

-A. O. Scott, *New York Times*

"Margin Call is one of the strongest American films of the year and easily the best Wall Street movie ever made."

-David Denby, *New Yorker*

"... this confident, crisply made piece of work does an expert job of bringing us inside the inner sanctum of a top Wall Street investment bank..."

-Kenneth Turan, *Los Angeles Times*

Assignment

Your assignment is to write a paper on Margin Call. It is due by the final exam.

Margin Call "takes place over a 36-hour period at a large Wall Street investment bank and highlights the initial stages of the financial crisis of 2007–2008... Although the film does not depict any real Wall Street firm, or similar corporate action during the 2008 financial crisis, Goldman Sachs similarly moved early to hedge and reduce its position in mortgage-backed securities, at the urging of two employees. Other firms like Lehman Brothers and Bear Stearns found themselves similarly and catastrophically over-leveraged in mortgage-backed securities. They scrambled, ultimately unsuccessfully, to manage the financial and public panic that ensued when their problems became apparent and the global financial markets plunged as a result." (Margin Call (film))

After Peter Sullivan informs Will Emerson and Sam Rogers about the potentially catastrophic risks posed by the firm's current holdings in mortgage-backed securities, they meet with Jared Cohen, Sarah Robertson, and Ramesh Shah.

That meeting then leads to a middle-of-the night board meeting, where John Tuld, CEO and Chairman, asks for solutions. Jared recommends selling all of the firm's mortgage-backed securities during the next trading day.

Paper 1

For the final paper, discuss the actions of the main characters in the film. What were their motivations? Their options? How did their "world view" influence their decision-making? Do you agree with their choices or not, and why? Analyze their predicament and discuss the merits of their actions.

Paper 2

For this paper, discuss how the decisions made by the main characters influence the "real world." What did their actions do to the other Wall Street firms? How did they influence domestic and global financial markets? What effect did they have on the valuations of other securities? How did they influence lending, mortgages, and retirement accounts? And finally, what effect did they have on capital allocation and formation?

Works Cited

"Margin Call (film)." Wikipedia. Wikimedia Foundation, 20 Sept. 2012. Web. 20 Sept. 2012. <[http://en.wikipedia.org/wiki/Margin_Call_\(film\)](http://en.wikipedia.org/wiki/Margin_Call_(film))>.

Cast

- Kevin Spacey as Sam Rogers, Investment Floor Head
- Paul Bettany as Will Emerson, Head of Trading
- Jeremy Irons as John Tuld, CEO and Chairman of the Board
- Zachary Quinto as Peter Sullivan, Senior Risk Analyst
- Penn Badgley as Seth Bregman, Junior Risk Analyst
- Simon Baker as Jared Cohen, Investment Division Head
- Stanley Tucci as Eric Dale, Former Head of Risk Management
- Demi Moore as Sarah Robertson, Chief Risk Management Officer
- Aasif Mandvi as Ramesh Shah, Legal Counsel

Citations

If you include any outside material, you must include proper in-text citations and a properly formatted Works Cited section.

MLA Formatting

(from *Purdue Online Writing Lab*)

General Guidelines:

- Use standard, white 8.5 x 11-inch paper.
- Double-space and use a legible font (e.g. Times New Roman). The font size should be 12 pt.
- Set the margins to 1 inch on all sides.
- Indent the first line of paragraphs one half-inch from the left margin.

Formatting the First Page:

- In the upper left-hand corner of the first page, list your name, your instructor's name, the course, and the date. Be sure to double-space.
- Double space again and center the title. Do not underline, italicize, or place your title in quotation marks; write the title in Title Case (standard capitalization)—not in all capital letters.
- Double space between the title and the first line of the text.
- Create a header in the upper right-hand corner that includes your last name, followed by a space with a page number; number all pages consecutively with Arabic numerals (1, 2, 3, 4, etc.), one-half inch from the top and flush with the right margin.

For more information, please see: <http://owl.english.purdue.edu/owl/resource/747/01>

Keys to Success

1. Check your grammar, spelling, and punctuation before you submit your work. You will instantly lower your grade if your writing contains basic mistakes. Don't rely on spell check to catch every error.
2. You need a strong, clear thesis statement at the beginning of the paper. Tell the reader exactly what the paper will be about right from the beginning.
3. Start writing early. It's obvious when the author waited until the last minute. You will need several drafts to get it right. Give yourself the time to write those drafts.
4. Focus your paper! Think it through (create an outline) and then start writing.