

Syllabus of a normative academic subject «Theory of International Economic Relations» of the training bachelors of direction 292 «International Economic Relations».

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Syllabus of a normative academic subject was approved by the Methodological Commission of the International Relations Faculty

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Head of the Commission

As. Prof. Romaniuk N.I.

Syllabus of a normative academic subject was approved by the Academic Methodological Council of the University

Protocol № as of « » 2019

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1. EXPLANATORY NOTE

Table 1

Titles	Area of expertise, direction education, education and professional program, qualification degree	Nature of the academic subject
Full-time study	29 international relations 292 international economic relations	Full-time study
		Year of study: 2,3
		Semester: 3, 4, 5
Total amount of hours/credits:68/2	education and professional program «International economic relations»	Lecture: 3s - 20 h., 4s – 20 h., 5s – 24 h.
Individual scientific research task-	bachelor	Seminars: 3s -16 h., 4s – 14 h., 5s – 22 h.
		Independent work: 32h.
		Consultations: 13 h
		The form of control: exam

2. THE AIM AND THE TASK OF THE ACADEMIC SUBJECT

The *aim* of the subject is to master certain knowledge of main forms of international economic relations and specific features its realization in modern international economic system.

The *object* of the study of «Theory of international economic relations:» is to main forms and stages of development of the international economic relations, the fundamental theories of its investigation, the world economy current problems and tendencies of its solution in the economic globalization' conditions.

In accordance with the requirements of the educational and professional program students must **know** the main principles and motives of functioning of the

international economic relations, the peculiarities of international trade, productivity factor movement and their influences to the national gains, a role of the international monetary system in the international economic relations, the specific features of modern international economy; **manage** to use the knowledge received in their foreseeable practical activity; to determine the interconnection between different spheres of international economic relations on the professional level, to analyze the effects of different forms of the international economic relations for national economies.

2. COURSE SUMMARY:

The content of the course "Theory of International Economic Relations" is the disclosure of the general basics and history of development of the international economy, the study of essential features and analysis of the major trends in the development of international economic relations in the fields of international trade, international capital movement, international migration of labor, monetary and financial relations, international technology transfer and international economic integration, study of laws, laws and features of development of international economic relations in modern conditions.

3. COMPETENCES:

By the end of their studies, students will be competent in the following areas:

- possession of the main categories of international economic relations, understanding of the features, prerequisites for the development and evolution of international economic relations from ancient times to the present;
- general bases and stages of development of the international economy, content and peculiarities of functioning of international economic relations in the fields of international trade, international capital movement, international labor migration, monetary and financial relations, international technology transfer and international economic integration, laws and patterns of development of international economic relations in modern conditions, processing for practical purposes data of international economic statistics and statistics of foreign economic activity, national and international regulations in the field of IER.

4. INFORMATION SCOPE OF THE EDUCATION

The course curriculum consists of the following content modules:

1. The system of modern international economic relations. Theories of international trade and the international movement of factors of production.
2. International capital movement. Competitiveness and technological exchange in the world economy.

Contentmodule 1. The system of modern international economic relations. Theories of international trade and the international movement of factors of production.

Topic 1. *Research methodology and structure of the international economic system. International division of labor and world commodity market.*

Methodological principles of theoretical analysis. Methods and tools of theoretical analysis of MEV. Genetic Structural Relations of the World Economy. Forms of international economic relations. The essence, dynamics and structure of the international division of labor.

Formation and structure of the world market of goods and services. Current trends in international trade in goods and services.

Theme 2. *The origin and content of classical theory of international trade (concepts of absolute and comparative advantages).*

The teachings of the mercantilists as a prehistory of the classical theory of international trade. D. Hume's "Price - Gold - Flows" Model. A. Smith's theory of absolute advantages. The development of international trade theory in the concept of comparative advantages of D. Ricardo. The benefits of participating in international trade and its graphical model.

Topic 3. *Neoclassical theory of international trade.*

Neoclassical theory of international trade. Heckscher - Olin theorem (model). Price equalization theorem on factors of production of Heckscher - Olin - Samuelson. The Leontief paradox and its solutions.

Impact of international trade on revenue sharing. Samuelson - Jones theorems, Stolper - Samuelson. Rybchinsky's theorem

Standard (basic) model of international trade (aggregate demand, rising alternative costs, GNT, GNZ). Equilibrium under Autarchy and International Trade. Profit from exchange and gain from specialization (consumer and production effects in international trade).

Theme 4.*Alternative theories of international trade.*

Technology and process of technological innovation. Model of technological break (hypothesis of imitation lag) by M. Posner. The theory of life cycle of the product R. Vernon. S. Linder's overlapping demand theory.

The theory economy on the scale of M. Kemp. Imperfect competition and international trade. P. Krugman's theory of monopolistic competition. Model of intra-industry trade. Synthesis of trade theories. Gravity model of international trade.

Theme 5.*International labor migration, its trends and scope.*

The essence and types of international labor migration. The world labor market. Migration capital. Characteristics of the major migration systems of the world (North American, European, Middle Eastern, Asia Pacific, South American and Eurasian).

Factors and economic effects of international labor migration. Ukraine in the Process of International Labor Migration.

Content module 2. International capital movement. Competitiveness and technological exchange in the world economy.

Theme 6.*International capital movement: preconditions, essence and forms.*

Essence and features of the international movement of factors of production. Theory of production location of Weber. Model of correlation of factors of production of Heckscher-Olin. Product lifecycle theory. The theory of internalization and transaction costs. J. Dunning's eclectic paradigm. Direct investment theory. The essence of the international capital movement. Background and objectives of the international capital movement. Walras rule. Investment position of the country. Criteria and forms of international capital movement, their characteristics

Theme 7.*Foreign direct and portfolio investment.*

Content and forms of foreign direct investment. Economic effects of foreign direct investment. Mergers and acquisitions as a form of foreign direct investment. Processes of transnationalization in the world economy. The theory of portfolio investment. The essence and features of portfolio foreign investment in modern conditions.

Theme 8. *International credit.*

The essence and role of loan capital in the structure of the international financial market. Criteria and forms of international loan capital movement. The role of banks and non-banking institutions in international monetary relations. International Monetary and Credit Organizations.

Theme 9. *TNCs and regulation of their activities.*

The essence and principles of TNC activity. Organization of TNC capital operations in the international financial environment. Forms of organization of TNC operations. Organizational and management structure of TNCs. Mergers and acquisitions of companies in the activities of TNCs. Content and structure of the mechanism of regulation of the international capital movement. The main tendencies of development of the mechanism of regulation of international capital movement at the present stage. National incentive and incentive systems for foreign investors. Bilateral and regional aspects of capital movement regulation. Strengthening the role of international organizations in regulating the international investment process.

Theme 10. *International competitiveness of the national economy.*

The essence and current trends of international competition. Theoretical bases of analysis of competitiveness of national economy. M. Porter's theory of competitive advantages. The system of indicators of competitiveness. Indices of international competitiveness of national economy.

Theme 11. *International technological exchange.*

The concept and role of international technology transfer in international economic relations. International market and forms of technology transfer. Model

of technological progress of J. Hicks. Economic assessment of international technology transfer. Ukraine in the system of international technology transfer.

**Content module 3. International monetary and credit relations.
Macroeconomic processes in an open economy and their regulation.**

Theme 12.*International monetary relations and currency systems in the structure of the international financial market.*

The essence, structure and types of monetary systems. World currency system and stages of its evolution. Content and structure of the international financial market. Types of transactions in the international financial market. Risks of monetary and financial transactions, methods of their insurance. The international debt market and the problem of international debt. International market for titles and derivatives.

Theme 13.*Exchange rate and balance of payments.*

The essence and theory of the exchange rate. Purchasing power parity. The impact of interest rates on the exchange rate. Nominal, real and effective exchange rates. Currency convertibility and quotation. Cross-course. Monetary policy and exchange rate regulation. Economic content of the balance of payments and its structure. Basic methods of balance of payments regulation.

Theme 14.*International economic integration: preconditions and effects of development.*

Theories of international economic integration. Stages of economic integration and their characteristics. Customs Union theory. Price and economic effects of customs tariffs (public costs of tariffs, static (formation and change of trade directions) and dynamic effects). General effects of international economic integration.

Theme 15.*Market macroeconomic regulation of an open economy.*

Income and expenditure in an open economy (keynesian model). Internal and external balance in an open economy. Aggregate demand and aggregate supply in the open economy. Adaptation of the open economy to exogenous shocks (shocks of the real and monetary sectors).

Theme 16. *Purposeful macroeconomic regulation of an open economy. The role of international economic and financial organizations.*

Principles of construction of macroeconomic adjustment mechanisms. Purposeful fixed rate adjustment. Purposeful floating rate adjustment. The impact of targeted price adjustment. Mechanisms of multilateral regulation. Regulation of international trade and movement of factors of production. Regulation of the International Macroeconomics (IMF, Paris and London Clubs, BMR).

Theme 17. *Macroeconomic programming for the open economy.*

Basic parameters of macroeconomic programs (goals, types, composition). Theoretical foundations of macroeconomic adjustment programs (models of basic payment, budgetary balances and balance sheet of the national bank. Taking into account exchange rate changes). Regulation of demand in the open economy (monetary, fiscal and foreign policy instruments). Regulation of the offer in an open economy.

Theme 18. *Ukraine in contemporary international economic relations.*

Ukraine's place in the modern international economy. The main directions of integration of Ukraine into the world economic space. Relations between Ukraine and the EU under the terms of the Association Agreement. Factors and Prospects for Improving Ukraine's Foreign Economic Activity with Major Partner Countries.

Description of the course

3d semester

Titles of the content modules and topics	Total amount	L	S	Indep. work	Cons.
1	2	3	4	5	6
Content module 1. The system of modern international economic relations. Theories of international trade and the international movement of factors of production.					

Topic 1. Research methodology and structure of the international economic system. International division of labor and world commodity market.	12	4	2	6	-
Topic 2. The origin and content of classical theory of international trade (concepts of absolute and comparative advantages).	16	4	4	7	1
Topic 3. Neoclassical theory of international trade.	16	4	4	7	1
Topic 4. Alternative theories of international trade.	15	4	4	6	1
Topic 5. International labor migration, its trends and scope.	13	4	2	6	1
Total	72	20	16	32	4

4th semester

Table 3

Titles of the content modules and topics	Total amount	L	S	Indep. work	Cons.
1	2	3	4	5	6
Content module 2. International capital movement. Competitiveness and technological exchange in the world economy.					
Topic 6. International capital movement: preconditions, essence and forms.	11	4	2	5	-
Topic 7. Foreign direct and portfolio investment.	10	2	2	5	1
Topic 8. International credit.	13	2	4	6	1
Topic 9. TNCs and regulation of their activities.	11	4	2	5	-

Topic 10. International competitiveness of the national economy.	13	4	2	6	1
Topic 11. International technological exchange.	13	4	2	6	1
Total	71	20	14	33	4

5th semester

Content module 3. International monetary and credit relations. Macroeconomic processes in an open economy and their regulation.					
Topic 12. International monetary relations and monetary systems in the structure of the international financial market.	13	4	4	5	-
Topic13.Exchange rate and balance of payments.	14	4	4	5	1
Topic 14. International economic integration: preconditions and effects of development.	14	4	4	5	1
Topic15. Market macroeconomic regulation of an open economy.	10	2	2	5	1
Topic16. Purposeful macroeconomic regulation of an open economy. The role of international economicand financial organizations.	14	4	4	5	1
Topic 17. Macroeconomic programming for the open economy.	10	2	2	5	1
Topic 18. Ukraine in contemporary international economic relations.	10	4	2	4	-
Total	85	24	22	34	5
Total amount of hours (3, 4, 5 semesters)	228	64	52	99	13

INDEPENDENTWORK

Table 4

№	Topic	К-сть годин
3d semester		
1.	Current trends in the impact of the NTR on the MPP.	4
2.	Concepts of absolute advantages of A. Smith and comparative advantages of D. Ricardo (numerical and graphic justification).	4
3.	Substantiation of consumer and production effects in the neoclassical theory of international trade (gain from exchange and gain from specialization).	5
4.	Characteristic features and features of technological theories of international trade.	4
5.	Analysis of features of modern forms of international capital movement, their characteristics.	5
6.	Free economic zones and their role in the modern world economy. Analysis of the role of TNC's direct and portfolio foreign investments in the Ukrainian economy: dynamic and geographical aspects	4
7.	Analysis of problems of illegal labor migration and ways of overcoming them. Investigation of the trends and dynamics of Ukraine's participation in contemporary external labor migration.	6
	Total	32

Table5

4th semester		
8.	Research on the international role of the euro as a means of calculation. Study of risks of monetary and financial transactions and methods of their insurance	6
9.	Analysis of the structure and dynamics of Ukraine's balance of payments by types of transactions.	5
10.	Characteristics of the main tendencies of development of modern	6

	international credit relations.	
11.	Assessment of the system of indices and indices of international competitiveness of the national economy of Ukraine.	6
12.	Analysis of the interdependence between the level of economic development of countries and the effectiveness of integration processes.	6
13.	Rationale for economic evaluation of international technology transfer.	4
	Total	32

Table6

5th semester		
14.	Risks of monetary and financial transactions, methods of their insurance.	3
15.	Monetary policy and exchange rate regulation.	3
16.	Economic content of the balance of payments and its structure.	3
17.	The role of banks and non-banking institutions in international monetary relations.	3
18.	International monetary and credit organizations.	3
19.	European integration and problems of its implementation. Migration crisis in the EU.	3
20.	"Brexit" and its implications for the EU.	3
21.	Adaptation of the open economy to exogenous shocks (shocks of the real and monetary sectors).	4
22.	Regulation of the International Macroeconomics (IMF, Paris and London Clubs, BIS).	3
23.	Theoretical foundations of macroeconomic adjustment programs (models of basic payment, budgetary and national bank balances).	3
24.	Relations between Ukraine and the EU under the terms of the Association Agreement.	3
	Total	34
	Total (3, 4, 5 semesters)	99

6. DISTRIBUTION POINTS THE STUDENTS GET

3d semester

Table 7

Current control (max = 40 points)						Modular control (max = 40 points)		Total
Module I						Module 3		
Content module 1						MCW 1		100
T1		T2		T3				
5	5	5	5	5	5	5	5	

4th semester

Ta

ble 8

Current control (max = 40 points)						Modular control (max = 40 points)		Total
Module 2						Module 4		
Content module 2						MCW 2		100
T6	T7	T8		T9	T10			
6	6	5	5	6	6	6	60	

5th semester

Table 9

Current control (max = 40 points)										Modular control (max = 40 points)		Total
Module3										Module5		
Content module3										MCW3		100
T12			T13		T14		T15		T16			
3	3	3	3	4	4	4	4	4	4	4	60	

Evaluation criterias

The student's grade is made by summing the scores for the level of answers in the seminars and the final test. Students can score 40 points for one semester for speaking at seminars. The distribution of points is given in the tables.

Students who have received less than 75 points on the basis of their current studies are not eligible to automatically score points and are required to take the exam.

Examination marks are given on the total sum of points of the current control (maximum 40 points), module tests (maximum 60 points) or passing the exam (from 0 to 60 points).

The credit is given if the student has completed all types of academic work determined by the program of the discipline and received at least 60 points. In case of unsatisfactory final grade, or if it is desirable to increase the grade, the student can score points by completing the type of work determined by the teacher.

Rating scale

Table10

Score in points for all kinds of educational activity	Rating	
	Fortheexam	For the credit
90 – 100	Excellent	Accept

82 – 89	Very good	
75 - 81	Good	
67 -74	Satisfactory	
60 - 66	Sufficiently	
1 – 59	Unsatisfactory	Unsatisfactory (with the option to take the exam again)

7. RECOMMENDED LITERATURE

1. Бураковський І. В. Міжнародна торгівля та економічний розвиток країн з перехідною економікою: теоретико-методичний аналіз взаємозв'язку / І. В. Бураковський. – К., 1998.
2. Гальчинський А. С. Теорія грошей: Навч. посіб. / А. С. Гальчинський. – К.: Основи, 1998.
3. Губський Б.В. Інвестиційні процеси у глобальному середовищі / Б. В. Губський. – К.: Наукова думка, 1998.
4. Киреев А.П. Международная экономика / А. П. Киреев. – Ч. I-II. – М., 1998.
5. Кругман П. Международная экономика: теория и политика /Кругман П., Обстфельд М. – М.: ЮНИТИ, 1998.
6. Международные валютно-кредитные и финансовые отношения: Учебник / ред. Л.Н.Красавиной. – М.: Финансы и статистика, 2000.
7. Міжнародна економіка /А. П. Румянцев, Г. Н. Клишко, В.В. Рокоча та ін./ ред. А.П. Румянцева. – К.: Знання, 2003.
8. Рогач О.І. Міжнародні інвестиції /О.І. Рогач. – К.: Либідь, 2003.
9. Рогач О.І. Транснаціоналізація світового господарства та перехідні економіки: Навчальний посібник / О. І. Рогач, О. І. Шнирков. – К.: ВЦ Київський університет, 1999.
10. Рут Ф. Міжнародна торгівля та інвестиції /Ф. Рут, А. Філіпенко. – К.: Основи, 1998.
11. Світова економіка: Підручник / А.С.Філіпенко, В. С. Будкін, О. І. Рогач та ін. – К.: Либідь, 2007.
12. Сишук А. А. Теорія грошей і грошового обігу /А. А. Сишук. – Луцьк : "Вежа", 2014.

13. Федоренко В. Г. Основи економічної теорії : Підручник / В. Г. Федоренко, Ю. В. Ніколенко, О. М. Діденко та ін. – К. : Алерта, 2005.
14. Філіпенко А. С. Міжнародні економічні відносини: теорія: підруч. Для студ. екон. спец. вищ. навч. закл. /А. С. Філіпенко. – К.: Либідь, 2008.
15. Юхименко П. І. Історія економічних учень: Навч. посіб. / П. І. Юхименко, П. М. Леоненко. – К.: „Знання - Прес”, 2002.

8. QUESTIONS FOR EXAM (5th semester)

1. The essence, structure and types of monetary systems.
2. World currency system and stages of its evolution.
3. Content and structure of the international financial market. Types of transactions in the international financial market.
4. Risks of monetary and financial transactions, methods of their insurance.
5. The international debt market and the problem of international debt. International market for titles and derivatives.
6. The essence and theories of the exchange rate. Purchasing power parity.
7. The impact of interest rates on the exchange rate.
8. Nominal, real and effective exchange rates. Currency convertibility and quotation. Cross-course.
9. Monetary policy and exchange rate regulation.
10. Economic content of the balance of payments and its structure. Basic methods of balance of payments regulation.
11. Theories of international economic integration. Stages of economic integration and their characteristics.
12. Customs Union theory. Price and economic effects of customs tariffs (public costs of tariffs, static (formation and change of trade directions) and dynamic effects).

13. Income and expenditure in an open economy (keynesian model). Internal and external balance in an open economy.
14. Aggregate demand and aggregate supply in the open economy.
15. Adaptation of the open economy to exogenous shocks (shocks of the real and monetary sectors).
16. Principles of construction of macroeconomic adjustment mechanisms.
17. Purposeful fixed rate adjustment. Purposeful floating rate adjustment. The impact of targeted price adjustment.
18. Mechanisms of multilateral regulation. Regulation of international trade and movement of factors of production.
19. Regulation of the International Macroeconomics (IMF, Paris and London Clubs, BIS).
20. Basic parameters of macroeconomic programs (goals, types, composition).
21. Theoretical foundations of macroeconomic adjustment programs (models of basic payment, budgetary balances and balance sheet of the national bank. Taking into account exchange rate changes).
22. Regulation of demand in the open economy (monetary, fiscal and foreign policy instruments). Regulation of the offer in an open economy.
23. Ukraine's place in the modern international economy. The main directions of integration of Ukraine into the world economic space.
24. Relations between Ukraine and the EU under the terms of the Association Agreement.
25. Factors and prospects for improving Ukraine's foreign economic activity with major partner countries.