The Belarusian Republican Union of Consumer Societies

Educational Establishment

«The Belarusian Trade and Economics University

of Consumer Cooperatives»

Curriculum of the entrance tests for persons entering the second stage of higher education with in-depth training that provides Master’s Degree in the speciality

1-25 81 03 WORLD ECONOMICS in 2016

2016

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RECOMMENDED FOR APPROVAL:

The Department of World and National Economy of the Educational Establishment

«The Belarusian Trade and Economics University of Consumer Cooperatives» (protocol №11,16.03.2016).

The scientific and methodological council of the Educational Establishment «The Belarusian Trade and Economics University of Consumer Cooperatives»

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EXPLANATORY NOTE

The speciality of the second stage of higher education 1-25 81 03 «World Economics» refers to the education profile «Communication. Law. Economics. Management. Economics and Organization of Production» (within educational area «Economics») in accordance with National Classificatory of the Republic of Belarus 011-2009 «Specialties and Qualifications». It provides a degree of Master of Economics.

The requirements to the level of basic education for persons entering the second stage of higher education in the speciality 1-25 81 03 «World Economics»:the first stage of higher education in the specialities 1-23 01 01 «International Relations»; 1-23 01 02-02 «Language Support of Intercultural Communication (International Tourism)»; 1-23 01 02-03 «Language Support of Intercultural Communication (Public Relations)»; 1-23 01 02-05 «Language Support of Intercultural Communication (Foreign Economic Relations)»; 1-23 01 07-02 01 «International information and communication»; 1-23 01 09 02 «International Journalism and Economics»; 1-24 01 01 «International Law»; 1-24 01 02 05 «Customs Law»; 1-24 01 02 08 « Juridical Support of Foreign Economic Activity»; 1-25 01 «Economics and Management»; 1- 26 01 01 «Public Administration»; 1-26 01 03 «Public Administration and Economics»; 1-26 02 01 «Business Administration»; 1-26 02 02 «Management (majors in)»; 1-26 02 03 «Marketing»; 1-27 01 01 «Economics and Organization of Production (majors in)»; 1-31 03 06 «Economic Cybernetics (majors in)»; 1-96 01 01 «Customs regulations and procedures».

Persons with other specialities of higher education participate in competition based on the results of the entrance tests.

The entrance tests for the speciality of the second stage of higher education 1-25 81 03 «World Economics» are determined by content of academic discipline «International Economic Relations».

The entrance tests are held in written and oral forms.

CONTENT OF EDUCATIONAL MATERIAL

1. Essence and forms of international economic relations

Essence of international economic relations (IER). The features of international economic relations.

The forms of international economic relations: the international division of labour, international merchandize trade and international trade in commercial services, international capital movement, international labour migration, international monetary, credit and settlement relations, international economic integration, international scientific and technical cooperation, international production cooperation, activities of international economic organizations.

The subjects of international economic relations: states (governments), business entities, nonprofits, individuals. International corporations and financial-industrial groups as the subjects and the driving force of international economic relations. Multinational and transnational corporations and banks. International economic organizations and their role in the modern system of global economic ties.

Typology of countries. Approaches of international economic organizations for classifying countries.

The main sources of economic information on international economic relations and foreign economic activity. International economic classifications: International Standard Industrial Classification of All Economic Activities, Standard International Trade Classification, Harmonized Commodity Description and Coding System, Central Products Classification.

The Republic of Belarus in the modern system of international economic relations. The role of foreign economic relations in the Belarusian economy.

2. Backgrounds, theoretical foundations and the stages of formation of modern international economic relations

Backgrounds and factors of development of international economic relations.

The international division of labour as the basis of international economic relations.

An open economy (the social and economic essence, factors of openness, key indicators).

Formation stages of the modern system of international economic relations. Intensification factors of economic relations in the world.

Theoretical concepts of international economic relations. Protectionism and free trade as the main approaches to the regulation of foreign economic activity. Mercantilists′ views on trade. The trade theory of absolute advantage (Adam Smith). The trade model of comparative advantage (David Ricardo). The Terms of Trade Index as a generalizing effectiveness indicator of the international division of labour. Factors of production (labour, capital, land) and the Heckscher-Ohlin model. New trade theory.

Theory of international capital movement. Modern concepts of labour migration.

International economic integration as a result of the international economic relations development. Economic integration: reasons, forms, advantages, and effects. Similarities and differences between the processes of international economic integration in the various regions of the world. Participation of the Republic of Belarus in international integration processes.

Globalization as the main trend of the modern world economic development: definition, forms and subjects. Global economic issues.

Self-determination of the Republic of Belarus in the globalized world. Adaptation of the national economy of the Republic of Belarus to the processes of economic globalization.

3 International trade in goods and services

The concepts of "world market" and "the world commodity market". Modern features of international trade.

Indicators and the main characteristics of international trade. Factors of the international trade development.

Classification of international commercial transactions: transactions of sale and purchase of goods; transactions of sale and purchase of services; transactions of sale and purchase of scientific and technical products.

Classification of goods in international trade. Key trends in international merchandise trade. Fuels and agricultural raw materials in the world trade. Organizational features of trade in fuels and food. Trade in manufactured products. Structure and development factors of the machines and equipment market.

International trade in commercial services. Specifics of services as a trade object. International classification of commercial services. The geographical structure of the global services market. Specific aspects and trends in international trade in commercial services. Information services in the modern global economy. International transport services. International consulting services. International tourism.

Development trends, problems and prospects of the foreign trade of the Republic of Belarus.

### 4. Intermediaries in international trade

The concept of "trade intermediation". Types of intermediary services. The economic feasibility of using intermediaries.

Classification of intermediaries. Brokers and broker transactions. Trade agents. Features of agency agreements in different countries.

Commissioners: concept, types. Consignment agreements. The main terms of the commission contract.

Intermediaries for resale. Distributors and specific aspects of distributor agreement.

The main features of trade intermediaries activity in modern conditions.

The development of foreign intermediation in the Republic of Belarus.

5. International commodity exchanges

The evolution of international trade and the establishment of commodity exchanges.

Basic characteristics of commodities traded on exchanges. Characteristic features of the commodity exchange as a commercial entity. Classification of exchanges. Background of futures trading. Functions of commodity exchanges.

The concept of international commodity exchanges. Organizational forms of commodity exchanges. Public and private exchanges. Structure of commodity exchanges.

The main types of exchange transactions. The organization and procedure of transactions with spot goods. Forward transactions. Futures transactions. Option transactions. Types of options. The cost of the option.

Hedging: definition and species.

Speculative transactions. Profit from rising and falling prices. The role of speculation in the mechanism of exchange trading.

Organizing of trade on the exchanges. Participants of trading. Exchange trading rules.

6. International auctions and tenders

Concept of auction. Auction goods. Basic characteristics of goods traded on auctions. Auction as a commercial entity. Structure of auction. Types of auctions. Functions of auctions.

Techniques of conducting of international auctions. Ascending price auctions. Descending price auctions. Open outcry auctions. Sealed bid auctions. Major world centers of auction trade.

The concept of international tenders. Economic functions of tenders. Organization of tenders. Organizers and participants of tenders. Functions of tender committee. Types of tenders. Open and select tendering. Stages of tenders.

7. Foreign trade policy. International trade policy

Forms of regulation of international trade. The state's role in the regulation of foreign trade. Foreign trade policy: definition, types.

Forms and methods of regulation of international trade. Tariffs. Tariff restrictions of foreign trade. Economic effects of a tariff. Types of tariffs.

Nontariff trade barriers. Quantitative restrictions of foreign trade. Quota, licensing, voluntary export restraints.

The other forms of non-tariff barriers: embargo, government procurement, standards and technical barriers.

Para tariff barriers. Financial methods of the trade policy: export subsidies, dumping, export credits. Exchange control measures.

Supranational regulation of international trade. Liberalization as the main direction and the result of interstate regulation of trade.

The World Trade Organization (WTO). Principles and rules of the WTO. Key agreements of the WTO.

The economic organizations of the United Nations system which regulate international trade. The role of the International Chamber of Commerce (ICC) in the control and harmonization of international trade processes.

Foreign trade policy of the Republic of Belarus. Prospects of joining of the Republic of Belarus to the WTO. The development of international cooperation of the Republic of Belarus within the Eurasian Economic Union.

8. International capital movement

International capital movement: definition, causes and economic consequences and features. Forms of international capital movement.

Welfare effects of international capital movement. Distribution of benefits among nations. Forms of international investment: foreign direct investment (FDI), foreign portfolio investment, foreign loans.

Investment attractiveness of the country. The investment climate in the country. Special economic zones. Competitive advantages in attracting foreign investment.

Contemporary trends in international migration of capital. The export of capital. Capital flight problems.

The participation of the Republic of Belarus in the process of international capital flows.

9. International technology transfer

Technology as an object of international exchange. Objects of the international technological exchange. Inventions, utility models, industrial designs. Non-divulged information (know-how). Trademarks.

Features of the international technological exchange. The organizational forms of the international technological exchange. Non-commercial forms of international technological exchange.

International license agreements. International and national juridical protection systems of intellectual property. Patent. License. Role of licenses in international trade. Types of license payments. Lump-sum payment. Royalties.

Franchising as a form of technological exchange. Engineering.

Foreign direct investment and technology transfer. International strategic alliances as an international technological exchange channel.

Regulation of the international technological exchange. Legal protection of inventions.

Strategy of innovative development of the Republic of Belarus.

10. International labour migration

International labour migration: definition and forms.

Reasons of international labour migration. The role of economic factors in the development of international labour migration.

"Waves" of migration. Traditional centers of attraction of labour resources: North America, Western Europe. The new centers of attraction of labour resources: the Middle East, Southeast Asia, Latin America, Australia. Major trends in international labour migration. "Brain drain".

Consequences of labour migration for the immigration and emigration countries. Remittances and the balance of payments. The impact of migration on wages and income.

State regulation of migration flows. National migration policy. Immigration policy. Main instruments of emigration policy.

International regulation of labour migration. The International Labour Organization (ILO). The International Organization for Migration (IOM).

The Republic of Belarus and the international labour market. Migration policy of the Republic of Belarus.

11. The global financial market

The global financial market: the concept and functions. The structure of the global financial market. The primary and secondary financial market. Money and capital markets, their structure and distinguishing features.

The institutional structure of the financial market. The activities of international financial institutions in the market of financial capital.

Financial market instruments. Equity instruments and debt securities. Government and corporate securities.

The stock market: the concept, preconditions for the emergence and development, the role in the organization of the investment capital flows.

The structure of the stock market. The primary and secondary markets.

Stock exchanges: the concept and the story of the emergence and development. Functions of stock exchanges. Major stock exchanges of the world. Transactions and operations of stock exchanges.

The concept of derivative financial instruments. Types of financial derivatives.

Stock market indexes: the concept, the method of calculation. The most significant and popular stock market indexes.

Stock markets and the global financial crisis of 2007-2009. The modern trends of the global stock market development.

Problems of the securities market development in the Republic of Belarus.

12. International credit

International credit: the concept, subjects, functions and role in the world economic development.

Forms of international credit. Corporate (commercial) credit: concept and forms. The limitations of corporate lending. International bank credit. Acceptance credit. Buyer's credit. The concept of a credit line.

Long-term loans to the states. The indicators of the country's solvency. Credit ratings.

Forms of international credit regulation. Basic tools of state regulation of international credit. Discount policy of the central bank. Tax and monetary policies of the state as a regulators of international credit flows.

The Republic of Belarus on the international credit market. Problems of the external debt regulation of the Republic of Belarus.

13. International financial capital market (Euromarkets)

Euromarkets: the concept and conditions of occurring. The structure of the Euromarkets.

Subjects and institutional structure of the Euromarkets. Geographic localization of the Euromarkets. Global financial centers.

Eurocurrency market. Eurocredit. Syndicated loans. Banking syndicates as subjects of Eurocredit market. Eurobond market. Euromarket interest rates. LIBOR. EURIBOR.

The Republic of Belarus on the Eurobond market.

14. Foreign currency and exchange rates

Foreign currency: concept and types. Convertibility of currency, its types. Main causes of transition to convertibility of the national currency.

Definition of exchange rate. Nominal and real exchange rate. Effective exchange rate. Cross exchange rate. Currencies' parity. Exchange rate regimes (fixed and flexible). Factors affecting the exchange rate.

Exchange rate theories. Theory of currencies purchasing power parity (PPP). Absolute and relative PPP. Fisher effect. The correlation between interest rate and exchange rate.

15. World monetary system

World monetary system: the concept and elements. Evolution of the World monetary system: historical forms and their characteristics.

Structural principles of the Paris, Genoa, Bretton Woods and the Jamaican monetary systems.

Regularities in the development of world monetary system. European Monetary System. Prerequisites, conditions and factors of monetary integration.

International financial stability. Currency crises: definition, causes and manifestations.

Stages and problems of development of the monetary system of the Republic of Belarus.

16. The foreign exchange markets (Forex)

Definition of the Forex. Functions of the Forex. Participants of foreign exchange markets. Types of markets: markets by location and by currency; markets by delivery date. The role of banks and transnational corporations in the organization of the foreign exchange markets.

Foreign currency positions of banks. The bank risks in the open currency position.

Foreign exchange transactions. Classification of foreign exchange transactions. Spot and forward transactions.

Currency speculation. Currency arbitrage: concept and conditions.

The foreign exchange market in the Republic of Belarus: the main characteristics and trends.

17. Monetary policy

Forms of regulation of currency relations. Objectives of foreign exchange policy.

Nation monetary policy. Direct and indirect instruments of regulation. Changes in reserve ratios. Open market operations. Bank rate policy. Selective credit controls. Currency devaluation and currency revaluation.

Monetary integration. The evolution of the monetary unions.

Dollarization as a type of monetary policy. Official and non-official dollarization.

Foreign exchange control: concept, objectives and forms. Exchange Restrictions.

Modern foreign exchange policy of the Republic of Belarus.

18. International settlements

Definition of international settlements. Main characteristics of modern international settlements. Major points concerning international settlements. Unification of international settlements. The role of the International Chamber of Commerce in the harmonization of international settlements.

Main methods of international settlements: advance payment; open account system; documentary collection; letter of credit.

19. Balance of payments

Balance of payments: concept, functions. Compilation principles (economic territory principle, residence principle, principle of double entry, principle of the uniform system for valuation of transactions, timing principle). Balance of payments theory.

Basic standard components of the balance of payments. Analytical presentation of the balance of payments. Main articles of the balance of payments. Current account. Goods and services account (the overall trade balance). The primary income account (factor income). The secondary income account (transfer payments). Capital account. Financial account. Overall balance of payments (balance of official payments). Statistical discrepancy.

Macroeconomic significance of the balance of payments.

Regulation and financing of the balance of payments. Transactions with the official reserves.

Balance of payments of the Republic of Belarus.

INDICATIVE LIST OF QUESTIONS FOR ENTRANCE TESTS

1. International economic relations: the nature, forms, main subjects, and trends.
2. Essence and forms of the international division of labour.
3. The Republic of Belarus in the modern system of international economic relations.
4. International economic integration: reasons, forms, advantages, and effects.
5. Globalization of the world economy: definition, forms, main subjects.
6. An open economy: the social and economic essence, factors of openness, key indicators.
7. International merchandise trade: concept, indicators, factors, and development trends.
8. Structure and development factors of the machines and equipment market.
9. Fuels and agricultural raw materials in the world trade.
10. International trade in commercial services: structure, main features, modern trends.
11. International commodity exchanges and auctions: basic characteristics, economic functions, classifications, features of trading.
12. Protectionism and free trade as the main approaches to the regulation of foreign economic activity.
13. The role of the World Trade Organization in the development of international trade.
14. International capital movement: definition, causes and economic consequences, forms, effects.
15. Foreign direct investment: definition, main forms, and trends.
16. The country's investment climate: concept and factors.
17. International labour migration: definition, forms, reasons, and consequences.
18. International technology transfer: concept, premises, modern features, organizational forms of the international technological exchange.
19. The global financial market: the concept, functions, and structure.
20. The modern trends of development of the international securities market.
21. International credit: the concept, subjects, functions, and role in the world economic development.
22. Euromarkets: the concept, conditions of occurring, structure.
23. The concepts of "currency" and "exchange rate", main exchange rate regimes.
24. World monetary system: the concept, elements, evolution.
25. Nation monetary policy: the concept, objectives, instruments.
26. International settlements: definition, methods, and role in the international economic exchange.
27. Balance of payments: the concept, functions, compilation principles, structure, macroeconomic significance.
28. The role of multinational and transnational corporations in the modern system of international economic relations.
29. Special economic zones: the nature, classification, and role in attraction of foreign direct investment.
30. The main international financial and credit institutions (International Monetary Fund and the World Bank Group).

RECOMMENDED LITERATURE

1. International economics : questions & answers / S.N.Lebedzeva [and others] ; ed. S.N.Lebedzeva, Y.G.Kozak. – Gomel : educational establishment “The Belarusian Republican Union of Consumer Societies”, 2014. – 216 p.
2. Krugman, Paul R., Obstfeld M. International economics : theory and policy / Paul R. Krugman, M. Obstfeld : Pearson Education. – 2003. – 754 p.
3. Reinert, Kenneth A. An introduction to international economics : new perspectives on the world economy / Kenneth A. Reinert. – 2nd ed. : Cambridge University Press. – 2012. – 474 p.
4. Johnson Hazel J. Global Financial Institutions and Markets. – Blackwell Business. University of Louisville. – 2000.
5. Авдокушин, Е.Ф. Международные экономические отношения: учеб. пособие для вузов/ Е.Ф. Авдокушин. – М.: Экономист, 2003. – 366 с.
6. Абрамов, В. Л. Мировая экономика : учеб. пособие / В.Л. Абрамов. – М. : Дашков и К, 2012. – 312 с.
7. Антонов, В.А. Международные валютно-кредитные отношения: учебник и практикум / В.А. Антонов. – М.: Юрайт, 2014. – 560 с.
8. Базылев, Н.И. Мировая экономика: учебное пособие/ Н.И. Базылев. – Минск: Кн. Дом, 2004. – 159 с.
9. Буторина, О.В. Международные экономические отношения. Базовые параметры :  справочник /  О.В. Буторина, С.А. Галкин, В.Н. Ткачев ; под ред. О.В. Буториной. –  М. :  Весь Мир,  2013. −  136 с.
10. Внешнеторговая политика: учебное пособие / С.Н. Лебедева, М.В. Тимошенко, О.В. Морозова. – Минск: Изд-во Гревцова, 2014. – 160 с.
11. Гладков, И.С. Мировая экономика и международные экономические отношения : учеб. пособие для вузов / И.С. Гладков. – М. : Бином, 2009. – 341 с.
12. Гаврилко, Г.Н. Беларусь в системе мирохозяйственных связей : учеб.-метод. комплекс для студ. спец. 1-23 01 01 «Международные отношения» / Г.Н. Гаврилко. – Минск: ИВЦ Минфина, 2015. – 272 с.
13. Международная экономика :  учеб. пособие для вузов /  Ю.Г. Козак и [др.] ;  под ред. Ю.Г. Козака, С.Н. Лебедевой. –  Минск:  Изд-во Гревцова,  2011. –  368 с.
14. Международные экономические отношения : учеб. пособие для вузов / под ред. Л.Е. Стровского. – М. : ЮНИТИ-ДАНА, 2003. – 461 с.
15. Международные экономические отношения: учебник для вузов / под ред. В.Е.Рыбалкина. – 9-е изд., перераб. и доп. – М.: ЮНИТИ, 2012. – 647 с.
16. Международные экономические отношения :  учеб.для вузов /  под ред. А.И. Евдокимова. –  М. :  Проспект,  2014. −  656 с.
17. Мировая экономика и внешнеэкономическая деятельность :  учеб. Пособие для вузов /  под ред. М.И. Плотницкого, Г.В. Турбан. −  Минск :  Соврем. шк.,  2011. –  616 с.
18. Мировая экономика :  учеб.для бакалавров /  под ред. Б.М. Смитиенко. –  М. :  Юрайт,  2012. −  590 с.
19. Раджабова, З.К. Мировая экономика : учеб. для вузов / З.К. Раджабова. – М. : ИНФРА-М, 2012. – 304 с.
20. Руднева, А.О. Международная торговля :  учеб. пособие для вузов / А.О. Руднева. −  М. :  ИНФРА-М,  2013. –  234 с.
21. Фомишин, С.В. Международные экономические отношения / С.В. Фомишин. – Ростов-на-Дону : Феникс, 2006. – 608 с.
22. Халевинская, Е.Д. Мировая экономика и международные экономические отношения :  учеб. для вузов /  Е.Д. Халевинская. –  М. :  Магистр, 2013. –  400 с.