

MINISTRY OF EDUCATION AND SCIENCE OF UKRAINE
Lesia Ukrainka Eastern European National University
Department of Economics and Security of Enterprise



CONFIRMED

Vice-Rector for Research, Educational
and Academic Affairs and Recruiting
Dr. Gavriliuk S.V.

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International Trade. International Business

Work programme

of elective study course


for training bachelors on the direction

6.030601 "Management"

Lutsk – 2015

Work programme of the study course “International Trade. International Business”
for students of the branch of knowledge “Management and administration”, training
direction “Management”.

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Developer: Mokhniuk A.M., Ph.D. in Economics, senior teacher at the department of
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Reviewer: Lipych L. G., Dean of the institute of economics and management, Doctor
of Economics, professor. 

**Work programme of the study course is confirmed
at the Department of Economics and Security of Enterprise meeting**

Protocol № 2, 02. 09, 2015.

Head of the department:  (Lipych L. G.)

**Work programme of the study course is approved
by the scientific methodical commission
of Institute of Economics and Management**

Protocol № 2, 07. 10. , 2015

The head of the scientific methodical
commission of the institute  (Begun S. I.)

**Work programme of the study course
is approved by the scientific methodical commission of the university**

Protocol № 2, 21. 10, 2015.

Preface

Work programme of the study course “International Trade. International Business” was prepared in accordance with educational and vocational training program for bachelors of training direction 6.030601 “Management”.

The subject of the discipline is the general rules and peculiarities of economic relations in the sphere of international exchange of goods and services.

Interdisciplinary connections: “Enterprise Economics”, “International Activity of the Enterprise”, “International Economic Relations”, “Management”, “International Auditing”, “International Economic Integration. European integration” etc.

The work program of the course includes the following **content modules**:

1. International Trade and Business: Nature, Theories, Law, Culture
2. Functional Operations in International Business

1. Course description

Table 1

Indices name	Branch of knowledge, specialty, educational and qualification level	Study course characteristic
Number of credits 4	0306 “Management and administration”	Full-time education elective
Modules 3	6.030601 “Management”	Training year 4
Content modules 2		Semester 8
IRT: present		Lectures 26 h.
Total hours: 144		Practical training 24h.
Week hours	Bachelor	Self-study 50 h.
In-class work 3 Self-study 3		Individual work 44 h.
Individual work 2,5		Type of control: credit

2. The Purpose and tasks of the study course

The purpose of the discipline “International Trade. International Business” is to form a system of theoretical and applied knowledge about the current role, functional content and set of tools of international trade and international business in highly competitive environment.

The main tasks of the discipline “International Trade. International Business” are focused on the study of organizational forms and instruments of state regulation of the international trade, on the practice of supranational regulation of international trade relations; on acquirement the ability to calculate and analyze key indicators of international trade, on obtaining the skills in contract processing; determining the objective conditions of the international trade formation, studying the economic potential of the world countries and Ukraine in order to identify the objective and subjective conditions of joint ventures and multinational corporations.

In accordance with the educational and professional programme the students should

know:

- the theories of international trade;
- general economic regularities of directions and forms of international trade formation;
- instruments of state regulation of international trade and international business;
- the directions and forms of international specialization and cooperation in global industrial markets of goods, services, capital and labour;
- types of international business and its impact on the development of the national economies of the world;
- the interests and needs of economic agents in Ukraine in relations with other agents in the world;
- the factors of economic integration global processes.

be able to:

- analyze the state and tendencies of development of international goods, services, investment and labour markets, and the motivation and the directions of modern

integration processes in global industrial markets;

– apply the methods of statistical and economic analysis of the dynamics of the structure of export and import of goods, services and capital;

– apply the methods of evaluation the effectiveness of international economic relations for national economies including Ukraine;

– apply the methodology of forming various organizational forms of international business.

3. Programme of the study course

Content module 1. International Trade and Business: Nature, Theories, Law, Culture

Theme 1. International Trade Theories

The rationale for foreign trade and its organization. Patterns of international trade. Adam Smith and absolute advantage. The Ricardian trade theory. The Heckscher-Ohlin theory. The Neoclassical trade theories. Public goods and international trade. The product life cycle theory in international trade. Contemporary trade theories.

Theme 2. Globalization and the International Business Environment

The nature of international business. The participants in international business. Globalization and the changing business environment. Transnational corporations: conduits of globalization. Globalizing small and medium-sized enterprises. The peculiarities of globalisation within product markets. The peculiarities of globalisation within service markets. Global competition issues.

Theme 3. Multinationality of the Organisation: Conceptualization and Measurement

The main aspects of internationalization of the firm. The economic nature of multinational corporations. Multinational corporations in the world economic environment. The mechanism of functioning of multinational corporations. The peculiarities of the multinationality index.

Theme 4. International Monetary System

Organization of international business transactions. International balance of payments. International foreign exchange market. International payment methods. Balance of payments. The nature of the gold standard. Forms of countertrade.

Theme 5. The Legal Environment of International Trade and Business

The law of contract. Customs controls. Export procedures and documents. Import procedures and documents. International transport documentation. Packing and marking for export. The political environment. The International Commercial terms (Incoterms).

Theme 6. The Culture Challenge in International Business

Culture and its elements. Approaches to the cultural differences study. Cross-cultural management and training. Ethical concerns: multinationals and the earth's environment. Business social responsibility and ethics. Culture in the workplace. Future issues in international business.

Content module 2. Functional Operations in International Business

Theme 7. The General Overview of Functional Operations in International Business

International marketing. International finance. International accounting. International taxation. International staffing and labour issues. Managing operations and technology.

Theme 8. International Marketing: Principles and Practice

Principles and types of market research. The marketing plan. International market assessment. The global marketing environment. The national marketing environment. The international marketing mix. Industrial international marketing applications. International marketing strategies.

Theme 9. International Accounting, Finance, and Taxation

The environment of global financial markets. International Accounting Standards. International financial reporting. International taxation. International transfer prices. Auditing in an international environment.

Theme 10. Strategic Human Resource Management in International Business

The professional development of managers in international business. Strategic planning and assessment. Recruitment of international employees. Selection of international employees. The process of cross-cultural adjustment. Compensation of international employees.

Theme 11. International Operations Management

The nature of operations management. Operations management in the international arena. The responsibilities of operations managers in international business. Project management.

Theme 12. The UNIDROIT Principles of International Commercial Contracts

The UNIDROIT principles and contract law. Pre-contractual negotiations. The structure of international commercial contracts. Termination and restitution of international commercial contracts. Hardship and “force majeure” in international commercial contracts.

4. Study course structure

Table 2

Content modules and themes names	Hours				
	Total	including			
		Lec.	Pract.	Ind.	Self-stud.
1	2	3	4	5	6
Content module 1. International Trade and Business: Nature, Theories, Law, Culture					
Theme 1. International Trade Theories	12	2	2	4	4
Theme 2. Globalization and the International Business Environment	12	2	2	4	4
Theme 3. Multinationality of the Organization: Conceptualization and Measurement	12	2	2	4	4
Theme 4. International Monetary System	13	4	2	3	4
Theme 5. The Legal Environment of International Trade and Business	11	2	2	3	4
Theme 6. The Culture Challenge in International Business	13	2	2	4	5
Total of module 1	73	14	12	22	25
Content module 2. Functional Operations in International Business					
Theme 7. The General Overview of Functional Operations in International Business	11	2	2	3	4

Continuation of table 2

1	2	3	4	6	7
Theme 8. International Marketing : Principles and Practice	11	2	2	3	4
Theme 9. International Accounting, Finance, and Taxation	12	2	2	4	4
Theme 10. Strategic Human Resource Management in International Business	12	2	2	4	4
Theme 11. International Operations Management	12	2	2	4	4
Theme 12. The UNIDROIT Principles of International Commercial Contracts	13	2	2	2	5
Total of module 2	71	12	12	22	24
Total hours	144	26	24	44	50

5. Practical training themes

Table 3

№	Theme	Hours
1	2	3
1	International Trade Theories <ol style="list-style-type: none"> 1. The rationale for foreign trade and its organization 2. Patterns of international trade 3. Adam Smith and absolute advantage 4. The Ricardian trade theory 5. The Heckscher-Ohlin theory 6. The Neoclassical trade theories . 	2
2	Globalization and the International Business Environment <ol style="list-style-type: none"> 1. The nature of international business 2. The participants in international business 3. Globalization and the changing business environment 4. Transnational corporations: conduits of globalization 	2
3	Multinationality of the Organisation: Conceptualization and Measurement <ol style="list-style-type: none"> 1. The peculiarities of internationalization of the organisation 2. The economic nature of multinational corporations 3. Multinational corporations in the world economic environment 4. The mechanism of functioning of multinational corporations 	2
4	International Monetary System <ol style="list-style-type: none"> 1. Organization of international business transactions 2. International balance of payments 3. International foreign exchange market 4. International payment methods 	2

1	2	3
5	The Legal Environment of International Trade and Business <ol style="list-style-type: none"> 1. The law of contract 2. International transport law 3. Customs controls 4. Export procedures and documents 5. Import procedures and documents 	2
6	The Culture Challenge in International Business <ol style="list-style-type: none"> 1. Culture and its elements 2. Approaches to the cultural differences study 3. Cross-cultural management and training 4. Ethical concerns: multinationals and the earth's environment 5. Business social responsibility and ethics 	2
7	The General Overview of Functional Operations in International Business <ol style="list-style-type: none"> 1. International marketing 2. International finance 3. International accounting 4. International taxation 5. International staffing and labour issues 	2
8	International Marketing: Principles and Practice <ol style="list-style-type: none"> 1. Principles and types of market research 2. The marketing plan 3. International market assessment 4. The marketing environment investigation 5. The international marketing mix 	2
9	International Accounting, Finance, and Taxation <ol style="list-style-type: none"> 1. The world financial market 2. International Accounting Standards 3. International financial reporting 4. International taxation and international transfer prices 	2
10	Strategic Human Resource Management in International Business <ol style="list-style-type: none"> 1. The professional development of managers in international business 2. Strategic planning and assessment 3. Recruitment of international employees 4. Selection of international employees 	2

Ending of table 3

1	2	3
11	International Operations Management 1. The nature of operations management 2. Operations management in the international arena 3. The responsibilities of operations managers in international business	2
12	The UNIDROIT Principles of International Commercial Contracts 1. The UNIDROIT principles and contract law 2. Pre-contractual negotiations 3. The structure of international commercial contract	2
	Total	24

6. Self-study

Table 4

№	Theme	Hours
1	International Trade Theories	4
2	Globalization and the International Business Environment	4
3	Multinationality of the Organization: Conceptualization and Measurement	4
4	International Monetary System	4
5	The Legal Environment of International Trade and Business	4
6	The Culture Challenge in International Business	5
7	The General Overview of Functional Operations in International Business.	4
8	International Marketing : Principles and Practice	4
9	International Accounting, Finance, and Taxation	4
10	Strategic Human Resource Management in International Business	4
11	International Operations Management	4
12	The UNIDROIT Principles of International Commercial Contracts	5
	Total	50

7. Individual work

The aim of the individual work is to deepen the knowledge of “International Trade. International Business” study course. It expects preparation and presentation of the report on the practical training class on one of the following topics.

Report topics

1. Business opportunities in the financial markets
2. Foreign direct investments
3. Foreign trade potential of the emerging economies
4. Growing potential of the market of services
5. The issues of the deepening of European integration
6. National and cultural differences within the EU
7. The impact of national diversity on business behaviour
8. The need for regulation in Europe's business environment: the EU's competition policy
9. The positive theory of international trade
10. The normative theory of international trade
11. Growth and development in international trade models
12. International factor movements
13. Capital theory and trade theory
14. Risk management
15. International business negotiations
16. Negotiating licensing agreements
17. The specification of goods in open economy
18. Stabilization policies in open economies
19. Economic integration among developing countries
20. International political/economic agreements and cooperation
21. Consumer behaviour in the industrialized countries
22. The individual determinants of consumer behaviour
23. Foreign market entry strategies
24. International logistics and transportation issues
25. Strategies and tactics in international business negotiations
26. Public goods and international trade
27. The product life cycle theory in international trade
28. Contemporary trade theories

29. Globalizing small and medium-sized enterprises
30. The peculiarities of globalisation within product markets
31. The peculiarities of globalisation within service markets
32. Global competition issues
33. The peculiarities of the multinationality index
34. Balance of payments
35. The nature of the gold standard
36. Forms of counter trade
37. International transport documentation
38. Packing and marking for export
39. The political environment
40. The International Commercial terms (Incoterms)
41. Culture in the workplace
42. Future issues in international business
43. Managing operations and technology
44. Industrial international marketing applications
45. International marketing strategies
46. The environment of global financial markets
47. Auditing in an international environment
48. The process of cross-cultural adjustment
49. Compensation of international employees
50. Project management
51. Termination and restitution of international commercial contracts
52. Hardship and “force majeure” international commercial contracts

8. Teaching techniques

Lectures, including multimedia projector option, discussions and explanations, practical training, self-study and individual work, the individual research tasks are used in the educational process.

9. The form of the final evaluation of the educational success

The form of the final evaluation of the educational success is the credit that is passed by the students in the examination period.

Test questions

1. The rationale for foreign trade and its organization.
2. Patterns of international trade.
3. Adam Smith and absolute advantage.
4. The Ricardian trade theory.
5. The Heckscher-Ohlin theory.
6. The Neoclassical trade theories.
7. Public goods and international trade.
8. The product life cycle theory in international trade.
9. Contemporary trade theories.
10. The nature of international business.
11. The participants in international business.
12. Globalization and the changing business environment.
13. Transnational corporations: conduits of globalization.
14. Globalizing small and medium-sized enterprises.
15. The peculiarities of globalisation within product markets.
16. The peculiarities of globalisation within service markets.
17. Global competition issues.
18. The main aspects of internationalization of the firm.
19. The economic nature of multinational corporations.
20. Multinational corporations in the world economic environment.
21. The mechanism of functioning of multinational corporations.
22. The peculiarities of the multinationality index.
23. Organization of international business transactions.
24. International balance of payments.
25. International foreign exchange market.
26. International payment methods.

27. Balance of payments.
28. The nature of the gold standard.
29. Forms of countertrade.
30. The law of contract.
31. Customs controls.
32. Export procedures and documents.
33. Import procedures and documents.
34. International transport documentation.
35. Packing and marking for export.
36. The political environment.
37. The International Commercial terms (Incoterms).
38. Culture and its elements.
39. Approaches to the cultural differences study.
40. Cross-cultural management and training.
41. Ethical concerns: multinationals and the earth's environment.
42. Business social responsibility and ethics.
43. Culture in the workplace.
44. International marketing.
45. International finance.
46. International accounting.
47. International taxation.
48. International staffing and labour issues.
49. Managing operations and technology.
50. Principles and types of market research.
51. The marketing plan.
52. International market assessment.
53. The global marketing environment.
54. The national marketing environment.
55. The international marketing mix.
56. Industrial international marketing applications.

- 57. International marketing strategies.
- 58. International Accounting Standards.
- 59. International financial reporting.
- 60. International taxation.
- 61. International transfer prices.
- 62. Auditing in an international environment.
- 63. The professional development of managers in international business.
- 64. Strategic planning and assessment.
- 65. Recruitment of international employees.
- 66. The process of cross-cultural adjustment.
- 67. Compensation of international employees.
- 68. The nature of operations management.
- 69. Operations management in the international arena.
- 70. The responsibilities of operations managers in international business.
- 71. The UNIDROIT principles and contract law.
- 72. Pre-contractual negotiations.
- 73. The structure of international commercial contracts.
- 74. Termination and restitution of international commercial contracts.
- 75. Hardship and “force majeure” international commercial contracts

10. Methods and tools for educational success diagnosing

Methods and tools for educational success diagnosing are as follows: practical training tasks, tests, case studies, individual research task, self-study, credit.

11. Distribution of students' grades

The final course grade (on a 100-point scale) is determined by two options:
 1) accounting points got by module tests without passing the final course test (credit);
 2) counting out points got by module tests, but with passing the final course test (credit).

In the first case the final semester grade is determined as a sum of three components:

- grades for the current evaluation on the appropriate themes (30 grades);
- grades for the individual research task (10 grades);
- grades for the module tests (60 grades).

In the second case (if the student didn't get 60 grades during the semester or wants to increase his rating) grades for the module tests are not taking into account, the total semester grade is determined as a sum of three components:

- grades for the current evaluation on the appropriate themes (30 grades);
- grades for the individual research task (10 grades);
- grades for the final course test (credit) : max 60 grades, including 20 grades for the theoretical question and 40 for the practical task.

Table 5

Current evaluation (max = 40 grades)												Final evaluation (max = 60 grades)		Total grades	
Module 1						Module 2			Module 3			IRT	MT 1		MT 2
Content module 1					Content module 2										
T1	T2	T3	T4	T5	T6	T7	T8	T9	T10	T11	T12				
2	3	3	3	2	2	3	3	3	2	2	2	10	30	30	100

Grading scale (national and ECTS)

Total grades of all activities	ECTS grade	National grade
90 – 100	A	Passed
82 – 89	B	
75 – 81	C	
67 – 74	D	
60 – 66	E	
1 – 59	Fx	Failed

12. Methodical Support

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