

UNIVERSITY OF ECONOMICS - VARNA
FACULTY OF „MANAGEMENT“
DEPARTMENT „INTERNATIONAL ECONOMIC RELATIONS“

ACCEPTED BY:

Rector:

(Prof. Dr. Plamen Iliev)

SYLLABUS

SUBJECT: “INTERNATIONAL TRADE POLICY”;

DEGREE PROGRAMME: „INTERNATIONAL BUSINESS“; BACHELOR`S DEGREE

YEAR OF STUDY: 3; SEMESTER: 6;

TOTAL STUDENT WORKLOAD: 210 h.; incl. curricular 75 h.

CREDITS: 7

DISTRIBUTION OF WORKLOAD ACCORDING TO THE CURRICULUM

<i>TYPE OF STUDY HOURSE</i>	WORKLOAD, h.	TEACHING HOURS PER WEEK, h
CURRICULAR: incl. <ul style="list-style-type: none">• LECTURES• SEMINARS (lab. exercises)	45 30	3 2
EXTRACURRICULAR	135	-

Prepared by:

1.
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2.
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I. ANNOTATION

The subject presents all aspects of current trade policy issues, the regulation and the implementation of tariff and non-tariff measures. The introductory part deals with the persistent controversy between free trade and protectionism, a detailed review of applied protectionist measures is followed by the theory and practices of bilateral, regional and global trade agreements, and their implementation in the national legislature and practices. All trade related measures, covered by the negotiation rounds in WTO are presented in detail to provide deep insight into the interlink between international and domestic policies. New developments as replacement of duties with behind-the-border measures in modern protectionist policies are discussed in detail. The purpose of the course is to supply students with the necessary insight into the practices, aimed at limitation of imports and export promotion and the legal basis of their application, which is crucial for the outcome of everyday international business deals.

II. THEMATIC CONTENT

No. по ред	TITLE OF UNIT AND SUBTOPICS	NUMBER OF HOURS		
		L	S	L.E.
1. FREE TRADE AND PROTECTIONISM.		3	2	5
1.	Definition of trade policy.			
2.	Basic economic interests in a national economy.			
3.	Positive and negative consequences of free trading.			
4.	Positive and negative consequences of protectionism on the short and long term.			
5.	Main stages of protectionism in the world economy.			
2. THE CLASSICAL AND NEO-CLASSICAL TRADE THEORY IN FAVOUR OF FREE TRADE		3	2	5
1.	Adam Smith on free trading.			
2.	David Ricardo on free trading.			
3.	The limits of the classical theory and the marginalist approach.			
4.	The alternative costs and the neoclassical approach to market pricing.			
3. THE ARGUMENTS OF PROTECTIONISM part I.		3	2	5
1.	Money should stay at home.			
2.	Free trade increases unemployment.			
3.	The question of “fair competition”.			
4.	Elimination of market distortions.			
4. THE ARGUMENTS OF PROTECTIONISM part II.		3	2	5
1.	Anti-dumping and retaliation.			
2.	National security.			
3.	Infant industry protection.			
4.	Optimal tariffs and terms of trade.			
5.	Import substitution against export promotion.			
5. CUSTOM DUTIES.		3	2	5
1.	The theory of custom duties and their effect on the national			

	economy. Partial equilibrium.			
2.	Static effect of custom duties on domestic demand and supply.			
3.	Fiscal and protectionist duties.			
4.	Tariffication and para-tariff protectionism.			
5.	Special measures regarding the custom protection of national economy.			
6. NON-TARIFF INSTRUMENTS		3	2	5
1.	Embargo.			
2.	Administration of quotas as quantity limitations of imports			
3.	Quality and safety requirements.			
4.	Administrative procedures and formalities.			
5.	Rules of origin and tariff circumvention.			
7. EXPORT PROMOTION		3	2	5
1.	Direct and indirect export subsidies			
2.	Strategic export subsidies			
3.	Production subsidies			
4.	Government procurement			
5.	State trading agencies			
8. THE TRADE AGREEMENTS		3	2	5
1.	Bilateral and multilateral custom unions and trade contracts.			
2.	The principle of most favoured nation and the trade negotiations.			
3.	Trade creation and trade diversion in trade agreements.			
4.	Trade in services			
5.	Trade-related intellectual property rights			
9. SAFEGUARD MEASURES		3	2	5
1.	Antidumping			
2.	Unfair subsidies and countervailing duties			
3.	Safeguard measures to labour mobility			
10. THE INTERNATIONAL TRADING SYSTEM		3	2	5
1.	History of international trade organizations			
2.	The Uruguay round and the evolution from GATT to WTO			
3.	Major results of negotiation rounds			
4.	The future of WTO			
11. MEMBERSHIP IN THE WTO, NEGOTIATIONS AND BENEFITS		3	2	5
1.	Accession of new members			
2.	Bilateral and multilateral accession negotiations			
3.	Structure of membership			
4.	The system of waivers			
12. THE DECISION PROCESS IN WTO		3	2	5
1.	Stages of negotiation process			
2.	The system of voting			
3.	The principle of common concensus			

13. COORDINATION OF TRADE POLICY WITH DOMESTIC POLICY		3	2	5
1.	Technical barriers to trade			
2.	Ethical and social issues in trade			
3.	Trade and environment			
4.	Sanitary and phytosanitary issues			
14. TRADE POLICY AND DEVELOPMENT		3	2	5
1.	Import substitution and industrialization			
2.	The generalized system of preferences			
3.	International trade and wages			
4.	Economic sanctions for foreign policy purpose			
15. INTERNATIONAL COMMODITY AGREEMENTS		3	2	5
1.	Commodity agreements, pricing and market distortions			
2.	Political issues of agreements			
3.	Global conflicts and interests			
4.	Future of commodity agreements			
Total:		45	30	75

III. FORMS OF CONTROL:

No.	TYPE AND FORM OF CONTROL	No/week	Extracurricular hours
1.	Midterm control		
1.1.	Project (on a predefined theme)	1	135
1.2.	Test (mixed questions)	2	
1.3.	Test on separate themes		
Total midterm control:		3	
2.	Final term control		
2.1.	Examination (test)	1	
Total final term control:			
Total for all types of control:		7	

IV. LITERATURE

REQUIRED (BASIC) LITERATURE:

1. Handbook on International Trade Policy, edit. William A. Kerr and James D. Gaisford, Edward Elgar Publishing Inc. 2007,

RECOMMENDED (ADDITIONAL) LITERATURE:

1. International Trade by Steve Suranovic
<http://catalog.flatworldknowledge.com/bookhub/reader/28?cid=&e=fwk-61960-ch04#fwk-61960-ch01>

2. International Trade Policy <http://www.sweden.gov.se/sb/d/3086>

3. Shivarov, A., Diversity in Bulgarian foreign trade, Izvestia, Journal of the Union of Scientists - Varna, 63-71 (2014).