

## **INTERNATIONAL ECONOMIC INSTITUTIONS**

**COURSE:** FIRST

**SEMESTER:** SECOND

**TYPE:** OBLIGATORY

**CREDITS:** 3

**LANGUAGE:** ENGLISH

**PROFESSOR:** [DR. ALEJANDRO SANTANA](#)

### **OBJECTIVES:**

The objective of the subject “*International Economic Institutions*” is to address the study of the international economy from the perspective of its institutional organization and the principal international organisms that conform it, in a global and regional matter. It is intended that the students will analyze the institutional framework inside the process of economic globalization, as well as the development of those regional processes that have an effect on the economic structure of that globalization.

The subject aims that the students acquire knowledge of the international economic institutions, with the purpose of understanding the relation between international economy and its structuring in economic and international organisms; the functioning and relevance of commercial and development organisms; monetary and financial organisms; as well as those organisms and international economic institutions that have a relevant impact globally and regionally. Furthermore, the students will develop their ability to understand the international institutional framework, in constant evolution and transformation and its connection with economic agents, the institutions and mechanisms that interact progressively in an international economic and financial environment, dynamic and globalized.

### **COMPETENCES:**

#### **BASICS**

- **CB3** – Capacity to gather and interpret relevant data (normally inside of their study area) to issue judgements that include reflections over important social, scientific and ethical topics.

- **CB4** – Capacity of transmitting information, ideas, problems and solutions to a specialized or not specialized public.

## **GENERALS**

- **CG1** – Observing with global vision, planning, organizing and managing activities in the enterprise and business world.
- **CG2** – Acting in a proactive way, generating ideas and proposals and implementing initiatives and changes in the heart of the organization, as well as showing willingness to geographic mobility.

## **TRANSVERSALS**

- **CT1** – Acting with critical spirit and reflection on knowledge in every dimension, showing intellectual, cultural and scientific curiosity, as well as commitment to rigor and quality in professional standards.
- **CT3** – Interacting in global and international contexts to identify necessities and new realities that allow the transfer of knowledge to actual or emergent professional development context, with capacity to adapt and self-manage professional and investigational processes.
- **CT7** – Getting to be the principal actor of the formative process itself in views of personal and professional improvement, as well as acquisition of integral formation allowing them to learn and coexist in a context of language diversity, with social, cultural and economic different realities.

## **SPECIFICS**

- **CE4** – Knowing the principal sources of economic statistic and business information, national and internationally; analyzing and using it in decision-making processes in international business.
- **CE5** – Knowing the cultural, social, geopolitical and legislative context of different economies in the world as the foundations to international business development.

- **CE6** – Valuating the changes produced in different international agreements that affect economic relations of countries and the activity of enterprises in international business.
- **CE7** – Knowing the role of different agents and economic institutions internationally, and valuating their influence and impact on economic growth, international commerce, financial and enterprise activity.
- **CE8** – Identifying economic, cultural, political, legal, demographic and technologic environments that can represent opportunities and threats to the development of the activity in international business.
- **CE9** – Planning of commercial strategies from knowledge of the basic instruments of international commerce.
- **CE11** – Locating, understanding and valuating the existing information in international context to define the potential markets, according to the type of business and product.

#### **LEARNING OUTCOMES:**

- **R1** – The students will be able to analyze and rationally explain the economic interactions between countries and economic areas.
- **R4** – The students will be able to value professional practices in emergent and global contexts and propose interventional lines adjusted to different realities.
- **R6** – The students will understand the subsequent phases of the European integration process and its economic and political consequences.
- **R7** – The students will show an adequate comprehension of the principal entities and existing institutional, jurisdictional and financial structures, they will also understand the role they play in the global economic context and the consequences of their politics and decisions.

#### **CONTENT:**

##### **1. The origin and characteristics of International Economic Institutions**

- The importance of international relations.

- The origin of international organizations in international relations.
- Characteristics of international organizations.
- Theoretical approaches of international organizations.

## **2. The role of International Economic Institutions in economic globalization process**

- The traits of economic globalization process.
- Characteristics and tendencies of economic globalization process.
- The role of international organizations in economic globalization process.

## **3. The United Nations and its international economic role**

- United Nations (UN): objectives and principles.
- The role of Economic and Social Council (ECOSOC).
- The Millennium Development Goals.
- International Economic Cooperation.

## **4. United Nations Conference on Trade and Development (UNCTAD)**

- Origin and mandates.
- Functioning.
- Challenges for UNCTAD.
- Integrated Program for Commodities.
- South-South Cooperation.

## **5. World Trade Organization (WTO) and international trade**

- General Agreement on Tariffs and Trade (GATT): objectives and characteristics.
- Agreements related to GATT: Subsidies and technical barriers to trade.
- World Trade Organization: structure and role in international trade.
- Dispute Settlement Mechanism.
- Agreement of Trade in Services (GATS).
- Trade Related Aspects of Intellectual Property Rights (TRIPS).
- Doha Development Agenda.

## **6. The role of International Monetary Fund (IMF) in international monetary system**

- Origin and background.
- Structure and Objectives.
- Mechanisms to regulate and monitor the international monetary system.
- Structural Adjustment Programs and external debt.

- Financial Assistance.
- The cooperation of IMF in Europe: the case of Greek.

### **7. The role of World Bank in economic development**

- The World Bank in the Bretton Woods system.
- World Bank: structure, composition, and objectives.
- The role of World Bank: financial assistance and aid.
- International Financial Corporation (IFC).
- Multilateral Investment Guarantee Agency (IDA).
- Importance of the concept of conditionality.
- Recent problems of World Bank.

### **8. The economic integration and regional processes**

- Economic integration process and their fundamentals.
- European Monetary Unión.
- The pillars of European Union.
- The expansion and reform of European Union.
- The future of European integration.
- North American Free Trade Agreement (NAFTA): free economic zone.
- Mercosur: economic integration in developing countries.

### **9. The role of other informal international institutions in international economic system**

- Organisation for Economic Co-operation and Development (OECD).
- G-20 as multilateral forum of negotiations.
- International Organization of Securities Commissions (IOS).
- The influence of World Economic Forum (WEF).

### **EVALUATION SYSTEM:**

There will be a two partial exams weighting 50% of the final grade, 25% each exam. The remaining 50% will be reached from three activities, follow-up class activities, individual and group activities and the oral presentation of final paper.

<b>Evaluation System</b>		
1 mandatory individual activities <b>(Not Recoverable)</b>	20	5 for each individual activity. 3 activities as minimum delivery for averaging.
2 mandatory group activities <b>(Not Recoverable)</b>	10	It must be delivered for averaging.
Follow-up class activities	5	Monitoring and evaluating in class.
1 Final Paper in team <b>(Not Recoverable)</b> .	15	10 for written paper and 5 for oral presentation.
Partial exam from topic 1 to 6 <b>(A minimum of 5 is required to average and it is susceptible to recovery)</b> .	25	5 essay questions, each question represent 5.
Partial exam from topic 7 to 12 <b>(A minimum of 5 is required to average and it is susceptible to recovery)</b> .	25	5 essay questions, each question represent 5.

In the case of activities, students have to do analyses and gather information about issues related to topics of the course. One of them will focus on a role player activity related to dispute settlement mechanism of World Trade Organization (WTO). It's very important to emphasize that all activities are mandatory and students must deliver them before starting a class. Every mandatory individual activity represents 4 points and every mandatory group activity represents 5 points. None of the activities is recoverable. On the other hand, it's necessary to obtain a minimum of 5 in partial exams to average. However, they are susceptible to recovery.

In the case of one student suspends the first, second or both partial exams, he or she will have the option of recovering them in the period of complementarias, as long as he / she has correctly performed continuous evaluation. That is, he or she must have delivered all the activities of continuous evaluation on the day specified by the Professor.

The teacher will consider the progression and continuous evaluation of the student.

## **METHODOLOGY:**

The subject is classroom-based and combines theoretical knowledge with its practical implementation. Through classroom sessions, the teacher will expose contents of the program using different learning methodologies, besides making group activities in which acquired knowledge will be put into practice. Furthermore, the students must do individual activities during the hours of personal work.

Additionally, during the hours of personal work, the students will make a final project by groups with their respective oral presentations at the end of the academic period. They will have hours of tutoring with the teacher with the purpose of supervising and guiding the development of the project.

Finally, we recommend to the students that they use some hours of personal work to this subject every week in order to consolidate the acquired knowledge of each topic. This personal work will consist of making a review of theoretical aspects given in class and complement them with the basic bibliography. It would be helpful that they prepare the readings and information that will be useful so they can do the mandatory activities which will be evaluated by the teacher.

- Working and tutoring sessions with the teacher and the whole group
- Individual workign sessions

## **MAIN BIBLIOGRAPHY:**

- [ESERP online library] - Shinko, Keith L. (2015). International Relations, Perspectives Controversies and Readings. Cengage Learning. Boston, USA.
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## **COMPLEMENTARY BIBLIOGRAPHY:**

- International Monetary Fund (2016). IMF Lending. Factsheet. External Relations Department, International Monetary Fund (IMF). Washington, D.C., USA.

- International Monetary Fund (1999). The IMF's Enhanced Structural Adjustment Facility (ESAF): Is It Working? International Monetary Fund (IMF), Washington, D.C., USA. <https://www.imf.org/external/pubs/ft/esaf/exr/>.
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- Shanquan, Gao (2000). Economic Globalization: Trends, Risks and Prevention. CPD Background Paper No. 1. Economic and Social Affairs. United Nations.
- UNCTAD & FAO (2017). Commodities and Development Report 2017, Commodity Markets, Economic Growth and Development. UNCTAD/SUC/2017/1. United Nations Conference on Trade and Development and Food and Agriculture of the United Nations. ([http://unctad.org/en/PublicationsLibrary/suc2017d1\\_en.pdf](http://unctad.org/en/PublicationsLibrary/suc2017d1_en.pdf))
- World Trade Organization (2015). Understanding WTO. Information and External Division, World Trade Organization. Geneva, Switzerland.