

Establishment of education  
"The Belarusian state economic university"

SUBMIT  
Rector  
of the education establishment  
"The Belarusian State Economic  
University"

\_\_\_\_\_ V.N. Shimov  
«\_\_\_\_» \_\_\_\_\_ 2017

Registration № УД \_\_\_\_\_/

**TRADE DIPLOMACY**

Syllabus of educational establishment on training discipline  
for specialty  
1-25 81 03 «International economy»

**ORIGINATOR:**

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**RECOMMENDED FOR APPROVAL:**

Department of international economy of establishment of education "Belarusian state economic university"  
(protocol № 10 from 09.03.2017);

Scientific - methodical Council of establishment of education "Belarusian state economic university"  
(protocol № from \_\_.\_\_.2017 ).

## EXPLANATORY NOTE

The discipline "Trade diplomacy" is an independent subject matter for undergraduates of specialty 1-25 81 03 "World economy" according to the master program "International Economy and Commercial Diplomacy". In her economic and trade diplomacy in modern system of the international economic relations, her formation and the main stages of development, components of organizational functioning and foreign experience is studied.

Discipline objective: formation at undergraduates of theoretical and practical knowledge of trade diplomacy and development of understanding of trade diplomacy as one of the most important instrument of advance of national trade interests in world economy.

Main discipline tasks:

- to provide knowledge about entity, stages of development, classifications of trade diplomacy;
- to provide knowledge about bilateral, plyurilateral and multilateral format of functioning of trade diplomacy;
- to provide knowledge about the current trends and features,
- formation of skills of their analysis.

As the result of discipline study masters must to:

**KNOW:**

- entity and the current trends of development of trade diplomacy;
- the main directions of the modern foreign trade policy and economic diplomacy as means of achievement are more whole than it the forms and by methods of their implementation accepted in the international practice;
- entity of double-sided, plyurilateral, polygonal trade diplomacy;
- the current trends of implementation of trade diplomacy by the countries of the different level of development in different regions of the world.

**BE ABLE TO:**

- to effectively use instruments of trade diplomacy at implementation of foreign economic relations of the country at the bilateral, regional and multilateral levels;
- to understand specifics foreign trade policy the accounting of sectoral and branch aspects of development of national economy and the foreign trade activity;
- to use advantages of trade diplomacy to development of the foreign trade activity of the enterprise and the state in general.

**HAVE SKILLS TO:**

- estimates of mechanisms of trade cooperation of the state with foreign partners;
- applications of methods of trade diplomacy for support of export and assistance to investments.
- applications of rules of the WTO;
- preparation, the conclusion and execution of a commercial transaction taking into account international law, rules of the WTO, standards of regional agreements, the national legislation.

Links with other training disciplines: the subject matter "Trade diplomacy" is based on the training disciplines "Macroeconomic (advanced level)", "The international economy", "The international economic organizations" and is a basis for studying of special subject matters and subject matters at the choice of undergraduates.

In accordance with the training plan of higher education in 1-25 81 03 "International economy" the training program is calculated on 136 hours, from them classroom for a day form of receiving the higher education - 50 hours, for the correspondence form of receiving the higher education – 26 hours. Distribution by types of classroom occupations for a day form of receiving the higher education: lectures of 40 hours; seminar occupations – 10 hours. Distribution by types of classroom occupations for the correspondence form of receiving the higher education: lectures of 20 hours; seminar occupations – 6 hours.

Control form – exam.

# THE TRAINING MATERIAL CONTENT

## **Topic 1. Trade diplomacy: contents, tasks, subject and methods**

Economic and trade diplomacy in modern system of the international economic relations. Interaction of economy and policy on the international scene. Interrelation and interconditionality of national economic interests of the state, economic security, external economic policy and economic diplomacy. Concepts of economic diplomacy ("the diplomacy sponsoring economy", "diplomacy, serving economy", "the diplomacy which has placed economy to itself at service", "new economic diplomacy"). Specifics and types of diplomacy: purposes and tasks.

Subject, purpose and structure of a subject matter "Trade diplomacy".

Value of foreign trade for development of the countries. Bilateral and multilateral trade. Agents of the foreign trade relations.

Foreign trade policy and modern tools of her implementation. Priorities of foreign trade policy of the state in the field of the international economic relations. A problem of ensuring optimum balance of interests of the state and economic entities at realization of the purposes of foreign trade policy. Consequences of the taken measures and efficiency of economic diplomacy.

Trade diplomacy: entity, purposes, tasks, premises, signs. Principles of trade diplomacy. Subjects of trade diplomacy. Functions of the modern trade diplomacy. Types and instruments of trade diplomacy. A role of trade diplomacy in solution of problems of polygonal trade. Institutional support of trade diplomacy.

## **Topic 2. Formation and main stages of development of trade diplomacy.**

Development of trade diplomacy before World War I. Trade diplomacy and its value in development of world economy and the international economic relations. Formation of large shopping centers. Contribution of mercantilists to development of foreign trade. Colonial trade and industrial policy of Europe of the 18th century. A. Smith and D. Riccardo's views of foreign trade. Value of the contract in Metyuna (1703) between England and Portugal.

Industrial revolution and activization of the foreign trade expansion. Diplomatic methods of permission of the trade conflicts. Activization of trade diplomacy in questions of tariff policy, preparation of trade agreements, receiving port privileges and guarantees for the compatriots opening the business abroad.

Crash of trade diplomacy at the beginning of the 20th century. Economic consequences of World War I. A problem of supply with raw materials and resources – the most important subject of diplomacy. Diplomatic solution of debt problems. Trade diplomacy and problems of world economic balance. Value of the book of J. M. Keynes "Economic consequences of the world". Trade in oil and emergence of "oil diplomacy". Orientation of oil interests of England, France and USA.

Restoration of the mechanism of world economic relations – a new task of trade diplomacy. The currency relations and the currency mechanism in questions of

trade diplomacy. Results of the international conference of 1933 in London. Problem of parity of currencies.

Search of balance of macroeconomic problems after World War II. Lessons of the interwar period for trade diplomacy. Means of trade diplomacy in the conditions of liberalization of the movement of goods and the capitals. Introduction of system of multilateral payments. Activity of the GATT/the WTO. Development problems – a new subject of trade diplomacy.

Trade diplomacy and development of "rules of the game". Adoption of the Code by a customs assessment, the Anti-dumping code, the Code on subsidies and countervailing duties, Agreements on procedures of import licensing, the Agreement on government purchases, Agreements on technical barriers in trade.

Trade diplomacy as driving force of the international economic relations in modern conditions.

### **Topic 3. Institutes of trade diplomacy.**

Institutional factor in trade diplomacy. Components of organizational functioning of trade diplomacy: external economic, foreign trade strategy, institutes of realization of the foreign trade interests, resources for achievement of the objectives and problems of foreign trade policy. Two directions by definition of competitive standards: development of the international obligations of the states; development of the international coordinated norms intended for universal application.

Institutional ensuring trade diplomacy as system of the interacting state, private and non-governmental organizations authorized and interested in development of the international business cooperation. Institutes of trade diplomacy in foreign countries: Germany, Italy, the Netherlands, the USA, etc. DZETRO - the Japanese organization of foreign trade as specialized state institute of support of export and assistance to investments.

Specialized state organizations of assistance to trade, their function and scales of activity. Institutional structures of microeconomic diplomacy. Institutes of economic intelligence. Institutes of macroeconomic diplomacy. Consulting level. Level of acceptance political decision.

### **Topic 4. Bilateral and plurilateral trade diplomacy: entity and forms**

Features, purposes, interdependency and problems of implementation of double-sided trade cooperation. Problems of the equivalent and mutually beneficial cooperation between the countries.

The purposes of the states at economic negotiations: economic, internal political, purpose of maintenance of the normal relations. A context in which the international economic negotiations proceed (on the example of creation of the IMF and negotiations on a round of the WTO in Doha). Waitings concerning totals of negotiations within the country.

Plyurilateral trade diplomacy: entity and forms and directions. The main directions of plyurilateral trade diplomacy – diplomacy of assistance to development of economic communications, practical business cooperation and integration interaction.

### **Topic 5. Multilateral trade diplomacy and international negotiations**

Positions of the parties in multilateral negotiations. Main problems of multilateral negotiations: creation of the coalitions, formulation of possible concessions, problems and paradoxes of vote, decision consensus. Key strategy on multilateral negotiations: selective selection of information for the analysis, systematization of offers during negotiations, development and approval of rules of negotiation, other strategy. Formation of the coalitions during the multilateral negotiations: the optimum size of the coalitions, trust in the coalition. Strategy of maximizing efficiency of the coalitions.

Concept "international trade regime". GATT and its role in formation of the international trade regime. Contents of the main international agreements on trade and tariffs reached within the Uruguayan round of negotiations.

World Trade Organization (WTO): main agreements, principles, and mechanisms of ensuring compliance with the international rules of trade.

International trade regime: main participants, structure, institutional and organizational components, principles and conditions of participation, mechanism of settlement of disputes. New round of multilateral trade negotiations ("Fur-coat development round"). Purpose and main directions of negotiations. The draft of the trade agreements which are a subject of negotiations. Positions of various groups of the countries and certain countries on trade in agricultural goods and services. Special trade agreements.

Rules of WTO, WTO Plus and WTO Extra; regionalism and versatility; non-tariff barriers in RICE (quantitative restrictions, protective measures, taxes, technical barriers, rules of an origin, simplification of procedures of trade, etc.).

Trade conflicts and international practice of their permission.

### **Topic 6. Trade diplomacy of foreign countries.**

Trade diplomacy of the developed countries: purposes, tasks and tools. Trade diplomacy of the USA: "expansionist" option. Trade diplomacy of Great Britain: "conservative" option. Trade diplomacy of Germany: "flexible" option.

Trade diplomacy of developing countries: purposes, tasks and tools. Trade diplomacy of China: use of effect of "large numbers" and Chinese diaspora. Trade diplomacy of India. Trade diplomacy of South Korea.

Collective diplomacy: purposes, tasks and tools. Trade diplomacy of the European Union: "continental" option. Policy and tactics of retraction in an influence orbit: the general strategy of the EU on the relation of the third countries, "expansion of the EU", "good-neighbourhood agreements", the pact of Stability, "Common Economic Space". Tools: harmonization of standards, procedures and rules; advance and

trade liberalization; unification of investment regime; economic and technical assistance.

Trade diplomacy of developing countries: "collectivist" option (Group-77). Trade diplomacy of the manufacturing countries of raw materials (OPEC).

Regional diplomacy.

Transatlantic partnership, Washington consensus, Paris Club, Meeting of member countries of KPR OECD). Negotiation tactics. Use of economic incentives and political pressure.

### **Topic 7. Formation of trade diplomacy in Republic of Belarus.**

Problem of ensuring national economic security. Main trade partners. The foreign trade agreements with participation of Republic of Belarus in the former Soviet Union. The foreign trade relations with foreign countries, out of the CIS and EEU.

Formation of national system of economic and trade diplomacy. Order and mechanisms of interaction of the main national economical and diplomatic agents. Practice of use of instruments of realization of trade diplomacy in Republic of Belarus. Preliminary estimates of consequences of the taken measures and efficiency of trade diplomacy.



**ACADEMIC MAP OF THE DISCIPLINE**  
**for full-time form education**

Number of topic	Topic and questions	Number of auditory hours					other	Forms of knowledge control
		Lectons	Practical studies	Seminars	Laboratorial studies	Managed independent work of stu		
1	2	3	4	5	6	7	8	9
1.	Trade diplomacy: contents, tasks, subject and methods	6		2			[5, 7, 9, 10, 14, 16]	Survey, test
2	Formation and main stages of development of trade diplomacy	4					[5, 10, 14, 16]	Survey, test
3	Institutes of trade diplomacy	4					[5, 10, 14, 16]	Survey, test

4.	Bilateral and plurilateral trade diplomacy: entity and forms	4		2			[1, 5, 7, 11, 13]	Survey, test
5.	Multilateral trade diplomacy and interna- tional negotiations	8		2			[1, 4, 5, 11, 13]	Survey, test
6.	Trade diplomacy of foreign countries	10		4			[1-4, 11, 13]	Survey, test
7.	Formation of trade diplomacy in Republic of Belarus	4					[1, 4, 5, 11, 13]	Survey, test
Total		40		10				

**ACADEMIC MAP OF THE DISCIPLINE**  
**for part-time form educations**

Number of topic	Topic and questions	Number of auditory hours					other	Forms of knowledge control
		Lectons	Practical studies	Seminars	Laboratorial studies	Managed independent work of stu		
1	2	3	4	5	6	7	8	9
1.	Trade diplomacy: contents, tasks, subject and methods	2					[5, 7, 9, 10, 14, 16]	Survey, test
2	Formation and main stages of development of trade diplomacy	2					[5, 10, 14, 16]	Survey, test
3	Institutes of trade diplomacy	2					[5, 10, 14, 16]	Survey, test
4.	Bilateral and plurilateral trade diplomacy: entity and forms	2		2			[1, 5, 7, 11, 13]	Survey, test

5.	Multilateral trade diplomacy and international negotiations	4		2			[1, 4, 5, 11, 13]	Survey, test
6.	Trade diplomacy of foreign countries	2					[1-4, 11, 13]	Survey, test
7.	Formation of trade diplomacy in Republic of Belarus	6		6			[1, 4, 5, 11, 13]	Survey, test
Total		20		6				

## **INFORMATION AND METODIC PART**

### **Methodical recommendations on organization of independent work of masters students on training discipline**

#### **"Trade diplomacy"**

In receiving knowledge on training discipline an important stage is the independent operation of masters students. The budget of time for independent operation on average on 2-hour classroom occupation is recommended 1,5 - 2 hours.

Main directions of independent operation of the undergraduate:

- original acquaintance with the program of a subject matter;
- acquaintance with the list of the recommended literature, its study and selection of additional literature;
- operation with the political map of the world;
- study of materials of different databases of the international economic organizations for regional trade agreements and official sites of integration associations;
- a study and extension of the material of lectures provided by the teacher due to information from additional literature, consultations;
- preparation for seminar classes in specially developed plans with a study of the main and additional literature;
- preparation for the main forms of monitoring (control inquiry, test, jobs USRS, etc.);
- preparation of the computer presentations on single questions and subjects of a subject matter;
- preparation for exam.

#### **Standard and acts**

Charter of the UN.

Rules of procedure of the United Nations General Assembly.

Marrakesh agreement

GATT, GATS

#### **READING LIST**

### **Core Textbooks**

1. Conti J.A. *Between Law and Diplomacy: The Social Contexts of Disputing at the World Trade Organization*. Stanford University Press, 2011.- 260 p.
2. *Economic Diplomacy. Essays and Reflections by Singapore's Negotiators*. Edited by: C L Lim (University of Hong Kong, Hong Kong), Margaret Liang (Ministry of Foreign Affairs, Singapore). -2010.- 344p.
3. Tussie D. *Trade Diplomacy*. The Oxford Handbook of Modern Diplomacy. 2013.- 120p.
4. Pigman G. *Trade Diplomacy Transformed: Why Trade Matters for Global Prosperity*. Paperback, 2016 – 320 p.
5. *World trade report 2016 / WTO: The WTO and preferential trade agreements: from co-existence to coherence*. - Geneva: WTO, 2016. - 253 p.

### **Recommended Readings**

6. Van Bergeijk, Peter A. G., *Economic Diplomacy and the Geography of International Trade*, Edward Elgar Publishing, North Hampton, 2009. – 230 p.
7. Moons, Selwyn and Van Bergeijk, Peter A. G., *Economic Diplomacy and Economic Security*, *New Frontiers for Economic Diplomacy*, Carla Guapo Costa, ed., Instituto Superior de Ciências Sociais e Políticas, 2009.- P. 37-54
8. DeRosa, D.A. *Regional integration arrangements: static economic theory, quantitative findings, and policy guidelines*. - Washington: World Bank, 1998. - 118 p.
9. Naray, O. *Commercial Diplomats in the Context of International Business*. *The Hague Journal of Diplomacy*. 2012/ 6.- P 121-148.
10. Naray, O. *Commercial Diplomacy: A Conceptual Overview*. Conference paper for the 7th World Conference of TPOs - The Hague, The Netherlands.- 120p.
11. *Preferential Trade Agreements: Policies for Development: a Handbook* / ed. by J.P. Chau, Jean-Christophe Maur. - Washington D.C.: World Bank, 2011. - 536 p.
12. Busschers, S. *The Value of Commercial Diplomacy from an International Entrepreneurs perspective*, in *Commercial Diplomacy and International Business: a conceptual and empirical exploration*, Ruel, H. J. M., ed. *Advanced series in Management*, Emerald, 2012. – 254 p.

13. Stadman, A. Competitors or Collaborators: a comparison of Commercial Diplomacy policies and practices of EU Member States", in Commercial Diplomacy and International Business: a conceptual and empirical exploration, Ruel, H. J. M., ed. (Advanced series in Management, Emerald, 2012. – 254 p.
14. RTAs // WTO [Electronic resource]. - 2016. - Mode of access: [http://www.wto.org/english/tratop\\_e/region\\_e/region\\_e.htm](http://www.wto.org/english/tratop_e/region_e/region_e.htm). - Date of access: 10.06.2016.
15. Kostecki, M., and Naray, O. Commercial diplomacy and international business Den Haag: Nederlands Instituut voor Internationale Betrekkingen Clingendael, April 2007ю - 41p.
16. Van Bergeij, Peter A. G. Economic Diplomacy and the Geography of International Trade.- Edward Elgar Publishing, North Hampton, 2009.- 240 p.
17. Training Package on Regional Trade Agreements / UNCTAD Virtual Institute. - N.Y. and Geneva: 2016. - 192 p.

## PROTOCOL OF COORDINATION OF THE TRAINING PROGRAM

Name of the discipline with which to negotiate	Name of the department	Proposals for changes in the content of the curriculum studied academic discipline	Action taken by the Department that developed the curriculum (with date and non-Protocol)
1	2	3	4
Macroeconomic (advanced level)	Department of economic theories	No Vorob,ev V.A.	To correct a subject 2 of a subject matter "Trade diplomacy", to eliminate duplicating. The protocol No. 10 of 09.03.2017.

## ПРОТОКОЛ СОГЛАСОВАНИЯ УЧЕБНОЙ ПРОГРАММЫ

Название учебной дисциплины, с которой требуется согласование	Название кафедры	Предложения об изменениях в содержании учебной программы учреждения высшего образования по учебной дисциплине	Решение, принятое кафедрой, разработавшей учебную программу (с указанием даты и номера)



			протокола)
1	2	3	4
Макроэкономика (продвинутый уровень)	кафедра экономической теории	Нет Воробьев В.А.	Скорректировать тему 1 и тему 5 учебной дисци- плины «Торго- вая диплома- тия», устранить дублирование. Протокол № 10 от 09.03.2017 г.

**ДОПОЛНЕНИЯ И ИЗМЕНЕНИЯ К УЧЕБНОЙ ПРОГРАММЕ  
ПО ИЗУЧАЕМОЙ УЧЕБНОЙ ДИСЦИПЛИНЕ**  
на 2017 / 2018 учебный год

№ Пп	Дополнения и изменения	Основание

Учебная программа пересмотрена и одобрена на заседании кафедры  
(протокол № \_\_\_\_ от \_\_\_\_\_ 2017 г.)

Заведующий кафедрой  
д.э.н, профессор \_\_\_\_\_

(подпись)

А.А. Праневич

УТВЕРЖДАЮ  
Декан факультета  
к.э.н, доцент \_\_\_\_\_

(подпись)

В.Ю. Шутилин