

Block Seminar

Ukraine in the International Economy

Prof. Dr. Olga Nosova
Freie Universität Berlin
Summer 2011

Time and Location:

First meeting: Thursday, July 7, 2011, 16:00, Room 102, Garystr. 55.

Alternatively, please signal your interest via email to schrettl@wiwiss.fu-berlin.de
(cc to nosovaov@yahoo.com).

Further meetings will be arranged by mutual agreement.

COURSE DESCRIPTION

The seminar comprises introductory lectures and subsequent discussions. The course applies the concepts of international economics to Ukraine. Particular attention will be devoted to issues of contemporary economic policy. The range of topics includes market reforms, factors of economic growth, foreign trade, foreign investment, multinational enterprises, shadow economy etc. Special emphasis will be given to the application of economic methodology to the examination of current international trade and monetary policy issues. Students should develop an understanding of the place and role of the Ukrainian economy in the global economic context and to evaluate proposals for designing economic policies.

Language of instruction: English.

REQUIRED TEXT:

Anders Aslund, 2009. How Ukraine Became a Market Economy and Democracy. Peterson Institute for International Economics.

OFFICE HOURS:

Please make an appointment by e-mail: nosovaov@yahoo.com

COURSE REQUIREMENTS

To acquire 5 credit points students will have to write a seminar paper (50 %), prepare a presentation, participate in the discussions and briefly discuss a paper of another student (which together accounts for the other 50 %).

SEMINAR PAPERS

The seminar papers should be written in English, comprising no more than 15 pages (Times New Roman, 12 pt, 1.5 spaced, margins: left 2.5 cm, right 3.5; top/bottom 2.5, 15 pages excluding title page, table of content, bibliography and exhibits, max. 22 pages total). In addition, a short abstract of about 200 words (key question, methodology and main results) has to be composed. The papers should be analytical and critical, develop a coherent argument, drawing own conclusions and should go beyond the pure summary of existing literature.

PRESENTATIONS

The presentations should be in English and have a maximum (!) length of 30 min focusing on the main insights of the research papers. The speaker can use any visual device for her or his presentation (e.g. handouts, transparencies) and should be able to answer short questions during the presentation.

DISCUSSIONS

In addition each student will be assigned to another paper which he should briefly (5 min) discuss after the presentation. The discussion should be critical reflection of the paper and the presentation (content, structure, unclear points) and come with two or three questions to start a discussion. It is also expected that all other students have briefly gone through the papers of other participants before the seminar, so that a good discussion after the presentations can take place.

TOPICS

Each student will discuss MAINLY one of the following papers, each of which represents a case study. This paper will be discussed and presented in quite some detail in the seminar paper and in the presentation. One paper will be covered in detail in your seminar paper; you will use other sources to frame the discussion, in particular in terms of applied methods and results.

TRANSITION REFORMS IN UKRAINE

Aslund A. (2009). *How Ukraine Became a Market Economy and Democracy*, Peterson Institute for International Economics, ch. 2, 3, 4, 5.

Janusz M. Szyrmer and Khwaja M. Sultan, eds. (2000). *Ukraine through transition. Challenges and Strategies*. Kyiv: Alterpress, ch. 2, 3, 4.

Hans van Zon, Batako A. and Kreslavska A. (1998). *Social and Economic Change in Eastern Ukraine. The Example Zaporizhzhya*, Ashgate Publishing Ltd, ch. 2, 3, 5.

Siedenberg A. and Hoffmann L., eds. (2000). *Ukraine at the Crossroads. Economic Reforms in International Perspective*, A Springer – Verlag Germany Company, ch. 1, 2.

MACROECONOMIC PREREQUISITIES FOR ECONOMIC GROWTH IN UKRAINE

Aslund, A. (2004). Russian Privatization Revisited – A Debate Between Goldman and Aslund *Transition*, Vol. 14/15, No. 10 & 1, 23-26.

Aslund A. (2009). *How Ukraine Became a Market Economy and Democracy*, Peterson Institute for International Economics, ch. 6, 7.

Janusz M. Szyrmer and Khwaja M. Sultan, eds. (2000). *Ukraine through transition. Challenges and Strategies*. Kyiv: Alterpress, ch. 1, 16, 17.

Hans van Zon, Batako A. and Kreslavska A. (1998). *Social and Economic Change in Eastern Ukraine. The Example Zaporizhzhya*, Ashgate Publishing Ltd, ch. 6, 7, 8, 11.

FOREIGN DIRECT INVESTMENT IN UKRAINE – EXPERIENCES TAKEN FROM REALITY

Carbajal E., Canfield C., De La Cruz J. (2008) *Economic Growth, Foreign Direct Investment and International Trade: Evidence on Causality in the Mexican Economy*.
<http://www.allacademic.com>

Carstensen, K., Toubal, F. (2004) Foreign Direct Investment in Central and Eastern European Countries: a Dynamic Panel Analysis, *Journal of Comparative Economics*, Vol. 32, NO 1.: 3-22.

Kornecki L. (2002) The Importance of Foreign Direct Investment in the Polish Economy: Comparison with Central and Eastern Europe Countries// *The International Journal Problems & Perspectives in Management*, Vol. 4, Issue 3.

Lyrouudi K., Papanastasiou J., Vamvakadis A. (2004) Foreign Direct Investment and economic Growth in Transition Economies// *South Eastern Europe Journal of Economics*, Vol 1: 97 -110.

Nosova O. "Modellierung der ausländischen Investitionstätigkeit in der Ukraine". *Statistische Diskussionsbeiträge. Journal of Potsdam University*. 2002. No 19.

Siedenberg A. and Hoffmann L., eds. (2000). *Ukraine at the Crossroads. Economic Reforms in International Perspective*, A Springer – Verlag Germany Company, ch. 8.

Nosova O. "U.S.-Russian and U.S.-Ukrainian Trade Relations and Foreign Direct Investment Effect" in the book "*Economic Liberalization and International Policy*", eds. H. G. Broadman, T.P. Paas, P.J.J. Welfens. Springer – Verlag Berlin, 2006.

FOREIGN TRADE RELATIONS IN UKRAINE

Aslund A. A Foreign Trade Policy. (2003). *Carnegie Endowment Report*, March.

"Russia's Trade Relations: Structural Adjustment, Geographical Patterns and Terms of Trade" in the book "*Economic Opening up and Growth in Russia*", eds. E. Gavrilkov, P.J.J. Welfens, R. Weigert. Springer – Verlag Berlin. 2004.

Herrmann, S. & Jochem, A. (2005) Trade Balances of the Central and East European EU Member States and the Role of Foreign Direct Investment// *Discussion Paper, Series 1: Economic Studies*, No 41.

Ogustu M. (2001), Ukraine: "The Expected Miracle." The Problems and Reforms of the Investment Climate Improvement for Foreign Investors, in: Stefan von Kramon-Taubadel, Akimova I., eds, *Fostering Sustainable Economic Growth in Ukraine*: Kiev, Alfa-Print, p.205-214.

REGIONAL INTEGRATION IN UKRAINE

Baldwin, R. (2008). "Big-Think Regionalism: A Critical Survey" National Bureau of Economic Research Working Paper 14056. <http://www.nber.org/papers/w14056>

Greenaway, D. & Milner, C. (2002). "Regionalism and gravity", *Scottish Journal of Political Economy*, vol. 49, no. 5, pp. 574-585.

Jaime de Melo and Arvind Panagariya [MP], eds. (1993). *New Dimensions in Regional Integration*, Cambridge University Press.

Maurice Schiff and Alan Winters [SW], (2003). *Regional Integration and Development*, World Bank and Oxford University Press.

Nosova O. (2008). "Statistical Analysis of Regional Integration Effects", Statistische Diskussionsbeiträge, Journal of Potsdam University, 2009, No 32.

Frankel, J. A. (1997). 'Regional Trading Blocs in The World Economic System', Institute for International Economics, Washington, DC.

EUROPEAN INTEGRATION: EAST ENLARGEMENT

EuroHerderschee, J. and Qiao, Z. (2007). "Impact of Intra-European Trade Agreements, 1990-2005: Policy Implications for the Western Balkans and Ukraine" IMF Working Paper WP/07/126.

Spies, J. and Marques, H. (2006). "Trade Effects of the Europe Agreements: A Theory Based Gravity Approach" Working Paper 274, University of Hohenheim.

Paas, T. (2003). "Regional Integration and International Trade in the Context of EU Eastward Enlargement" HWWA Discussion Paper 218. Hamburg Institute of International Economics, Hamburg.

Egger, P. & Kratena, K. (2003). "A Tale of Competition between Eastern and Southern Europe", *Review of World Economics*, vol. 139, no. 1, pp. 114-130.

Breuss, F. & Egger, P. (1999). "How reliable are estimations of East-West trade potentials based on cross-section gravity analyses?", *Empirical*, vol. 26, no. 2, pp. 81-94.

Nosova O. "Russia's Foreign Economic Relations and Regional Integration in CIS countries: Theory, Problem and Options" in the book "Internationalization and Economic Policy Reform in Transition Countries," eds. E.M. Graham, N. Oding, P.J.J. Welfens, R. Weigert. Springer – Verlag Berlin. 2005.