Subject card

Subject name and code	Multinational Enterprise and Foreign Direct Investment, PG_00205532					
Field of study	Economics, International Economic Relations, International Business, Logistics and Mobility					
Date of commencement of studies	October 2025		Academic year of realisation of subject		2026/2027	
Education level	Master’s studies		Subject group		Obligatory subject group in the field of study Optional subject group	
Mode of study	full-time studies		Mode of delivery		at the university	
Year of study	2		Language of instruction		English	
Semester of study	4		ECTS credits		5.0	
Learning profile	academic		Assessment form		credit	
Conducting unit	Department of International Economics and Economic Development -> Faculty of Economics -> Rector					
Name and surname of lecturer (lecturers)	Subject supervisor	prof. dr hab. Andrzej Cieślik				
	Teachers					
Lesson types	Lesson type	Lecture	Tutorial	Laboratory	Project	Seminar	SUM
	Number of study hours	30.0	0.0	0.0	0.0	0.0	30
	E-learning hours included: 0.0						
Learning activity and number of study hours	Learning activity	Participation in didactic classes included in study plan	Participation in consultation hours	Self-study	SUM	
	Number of study hours	30	0.0	95.0	125	
Subject objectives	The main aim of the course is to develop in-depth understanding of the reasons for emergence of multinational enterprises, and of the effects of their operations on home and host countries.					

Learning outcomes	Course outcome	Subject outcome	Method of verification
	[LMMU2_U12] can independently plan and implement lifelong learning, and inspire and organise the learning process of others	is able to plan and execute independently life-time learning regarding theories of multinational enterprise	[SU4] test/exam - oral or written
	[MSGMU2_W02] knows an advanced terminology in the field of international economics, international economic relations and complementary disciplines	knows advanced terminology related to multinational enterprise	[SW4] test/exam - oral or written
	[MSGL3_W02] has an advanced knowledge and understanding of the terminology of international economic relations and complementary disciplines	knows and understands advanced terminology related to the operations of multinational enterprise	[SW4] test/exam - oral or written
	[IBL3_W02] knows and understands fundamental concepts and terminology of international business, international economic and financial relations and complementary disciplines	Knows and understands terminology related to the theory of multinational enterprise	[SW4] test/exam - oral or written
	[EKONMU2_W03] has a knowledge of relations between economic phenomena, entities and organisations as well as public institutions functioning in the national, international and intercultural spheres	has knowledge about multinational enterprises and economic organizations in domestic and international spheres	[SW4] test/exam - oral or written
	[IBMU2_U05] can communicate in an international and culturally diverse environment, using advanced terminology of international business	is able to communicate in interantional environment using advanced terminology related to the activity of multinational enterprise	[SU4] test/exam - oral or written
	[EKONMU2_W02] has an in-depth knowledge of various types of existing economic entities and organisations as well as an extended knowledge of public institutions	has deep knowledge about different types of multinational enterprises	[SW4] test/exam - oral or written
	[IBL3_W06] knows and understands the relations and regularities between international business stakeholders i.a. business entities, public institutions, organisations; functioning in the national, international and intercultural realms	Understands relationships between multinational enterprises and public institutions at the national and international levels	[SW4] test/exam - oral or written
	[IBL3_W01] has knowledge of the discipline of economics and finance, involving critical understanding of theories of international business	has critical knowledge about theories of multinational enterprise and foreign investment	[SW4] test/exam - oral or written
	[EKONL3_W06] has an advanced knowledge of selected methods and tools, including statistical and econometric techniques, for describing economic agents and structures as well as social institutions and the processes taking place in them	knows advanced methods and tools of empirical validation of theories of multinational enterprise	[SW4] test/exam - oral or written
	[MSGMU2_W01] has an in-depth and structured knowledge of economic sciences, in particular economics, its place in the system of sciences, its relations with other sciences and fields of knowledge	has deep and ordered knowledge related to multinational enterprise	[SW4] test/exam - oral or written
	[IBL3_U08] has language skills in the field of international business, economics and finance, in accordance with the requirements of Level B2 of the Common European Framework of Reference for Languages	has language competence in the area of multinational enterprise	[SU4] test/exam - oral or written

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[IBMU2_W08] knows in depth selected areas of the functioning of a modern enterprise in the international environment; understands the conditions, principles and consequences of decisions taken in modern enterprise's structures dealing on the international market	knows selected areas of operations of modern multinational firms in international environment	[SW4] test/exam - oral or written
[IBMU2_W01] has an in-depth knowledge of the discipline of economics and finance; understands the differences between contemporary trends in the theory of international business	know various theories of multinational enterprise	[SW4] test/exam - oral or written
[EKONL3_U11] has language skills in economics which meet the requirements of level B2 of the Common European Framework of Reference for Languages	knows terminology related to activities of multinational enterprise	[SU4] test/exam - oral or written
[MSGMU2_U03] can identify and analyse relations between business entities and institutions in their national and international environment	knows linkages between multinational enterprises and local firms	[SU4] test/exam - oral or written
[MSGMU2_W06] knows and understands the various dilemmas related to globalisation and the formation of contemporary international economic relations	understands various effects of activity of multinational firms	[SW4] test/exam - oral or written
[EKONMU2_W01] has an in-depth knowledge of the nature of social sciences and their place in the system of sciences; understands the differences between contemporary trends in economic thought; knows the claims of contemporary economic theories	understands differences between different theories of multinational enterprise	[SW4] test/exam - oral or written
[LMMU2_U01] can creatively interpret and explain economic and social phenomena and relations between them, using acquired knowledge of economics, finance, management sciences, logistics and mobility	knows how to interpret different types of foreign investment	[SU4] test/exam - oral or written
[EKONMU2_U11] has language skills in the field of economics, which comply with the requirements of level B2+ according to the Common European Framework of Reference for Languages	has language competence in the field of multinational enterprise	[SU4] test/exam - oral or written
[LMMU2_W01] has an in-depth knowledge of the nature of social sciences and their place in the system of sciences; understands the differences between contemporary trends in theory of logistics and mobility	has deep knowledge about the character of the theory of foreign investment and their importance for theory of logistics	[SW4] test/exam - oral or written
[LMMU2_W03] has a knowledge of relations between economic entities and organisations functioning in the national, international and intercultural spheres; understands importance logistics and mobility for their operation	has knowledge about relations between multinational enterprises and local entities	[SW4] test/exam - oral or written
[MSGL3_U03] can identify and analyse relations between economic entities and public institutions in the national and international environment; using the acquired theoretical knowledge can critically evaluate these relations and indicate directions for their further development or changes	is able to identify linkages between multinational firms and public institutions	[SU4] test/exam - oral or written

	Course outcome	Subject outcome	Method of verification
	[MSGL3_U11] has language skills in the field of economics, specific to the field of study of International Economic Relations, in accordance with the requirements of Level B2 of the Common European Framework of Reference for Languages	has language competence in the sphere of multinational enterprise	[SU4] test/exam - oral or written
	[EKONL3_W02] has an advanced knowledge of the different types of existing business entities and organisations and public institutions	has advance knowledge about different forms of multinational enterprise	[SW4] test/exam - oral or written
	[MSGL3_W01] has an advanced knowledge of economic sciences, in particular of economics and its place in the system of sciences, including within related disciplines	has advanced knowledge in the field of multinational enterprise	[SW4] test/exam - oral or written
	[EKONL3_W03] knows the relations between economic agents and social organisations operating in the national, international and intercultural arenas	knows relationships between multinational enterprises and social organizations at the country and international levels	[SW4] test/exam - oral or written
	[MSGL3_W06] knows and understands the relations between economic entities and public institutions functioning in the national, international and intercultural realms	knows and understands relationships between multinational enterprises and public institutions at the country and international levels	[SW4] test/exam - oral or written
	[IBMU2_W03] knows advanced terminology in the field of international business, international economics and financial relations and complementary disciplines	knows advanced terminology related to multinational enterprise	[SW4] test/exam - oral or written
	[IBMU2_W04] has an in-depth knowledge of the evolution of theories describing international business and international economic and financial relations	has deep knowledge regarding the evolution of the theory of multinational enterprise	[SW4] test/exam - oral or written

Subject contents	-Foreign investment within the neoclassical paradigm: MacDougall and Mundell models - Critique of the neoclassical paradigm: Hymers and Caves models - Early responses to the critique of the neoclassical paradigm: the Vernons Product life cycle, Knickerbocker's oligopolistic reactions and Alibers theory of currency areas. - Theory of internalization and Dunnings OLI eclectic framework - Uppsala model and evolutionary theories of MNE - Horizontally integrated MNEs and imperfectly competitive market structures: Markusen and Helpman, Melitz and Yeaple models - Horizontally integrated MNE and strategic investment: Smith and Motta models - Vertical models of MNE I: Krugman monopsony model - Vertical models of MNE II: Helpman model of international fragmentation of production - Markusens knowledge capital model and its extensions - Foreign direct investment and economic development I: Krugman's model of uneven development - Foreign direct investment and economic development II: Markusen-Venables linkages model - Empirical Evidence
Prerequisites and co-requisites	Microeconomics

Assessment methods and criteria

Subject passing criteria	Passing threshold	Percentage of the final grade
multiple choice test	50.0%	100.0%

Recommended reading

Basic literature	Grazia Ietto-Gillies, 2019. Transnational Corporations and International Production: Concepts, Theories and Effects, Third Edition, Edward Elgar.
Supplementary literature	John H. Dunning, Sarianna M. Lundan, 2008. Multinational Enterprises and the Global Economy, Second Edition, Edward Elgar, and selected papers from scientific journals.
eResources addresses	

Example issues/ example questions/ tasks being completed	In Helpmans model of international fragmentation of the production process production of horizontally differentiated consumer goods can be decomposed into different production blocs that can be located in different countries. a) For what differences in relative endowments of capital and labor should we observe international intra-firm trade and what determines its volume? b) In which country should the vertically integrated multinational firm locate its R&D activity and in which the final assembly of the finished product? c) How does the activity of the vertically integrated multinational firm affect the difference in wage levels between home and host countries?
Work placement	Not applicable

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