

AMERICAN UNIVERSITY OF CENTRAL ASIA
DEPARTMENT OF ECONOMICS. ID-02714

SYLLABUS

(subject to change)

Required course: “LEGAL BASICS OF THE ECONOMY”

Spring – 2014. January 13 – May, 2

Study Weeks – 15, credits: 1,5

Instructor: SAGYN CHERPASHEVICH OMURALIEV (Сагын Чепашевич Омуралиев):

- Assistant Professor of the International and Business Law Dept. (IBL), Economics Dept., AUCA;
- Arbitrator of The International Court of Arbitration (Bishkek, Kyrgyz Republic –
Международный Третейский суд, арбитраж);
- Lawyer (Адвокат. License #00483 given by the Ministry of Justice of KR on Nov. 10, 2002).

Class Meeting Time: Wednesday 14:10-15:25; ROOM: _____

“Education is not a preparation for life but is life itself”

(John Dewey - American philosopher and psychologist, 1859-1952)

1.Objectives and General Descriptions of the Course

As economic system is very large, complicated and very important direction of any country’s activity today, students need to know properly its legal basis and securing.

The required course **“LEGAL BASICS OF THE ECONOMY”** is designed to give students additional knowledge on economy but from the point of view of legislation, because in free democratic society and real market relationship **either policy or economy** should be fulfilled **through the law**. The ancient Roman philosopher and politician Marcus Tillius Cicero once said: ***“If you want to be free you should adhere the law”***, English novelist and dramatist Henry Fielding (1707-1754) said ***“Where the Law ends tyranny begins”***.

During the course students will know about democratic society, separation of powers principles, the history and some provisions of US and Kyrgyz Republic constitutions, regulating economy, business and property. They will observe other main laws, directly or oblique concerning economy and business, the role of government and banking system on that issue. Special attention will be given to judicial system and arbitration, solving economic cases on different trial levels, to many types of risks in economic activity, such as political, country, market and other kinds of risks. And at last future economists will know about types of economic crimes, criminal and administrative responsibility for them. Except theoretical knowledge students need practical experience, visiting Ministry of Economy or Finance, one of commercial banks or financial institutions. The program will

help students to look at the economy with other eyes and evaluate it not only as economists as such, but perhaps as lawyers too. This course will help them during their study at the University and while working on any specialty in different kinds of jobs, professional activity - economy and business sphere.

2. Teaching Program and Assignments

The class of “**LEGAL BASICS OF THE ECONOMY**” course will meet once a week and consists of 30 theoretic lectures and practical seminars each for 1 hour and 15 min. Students will be assigned to read theoretical materials, cases and/or journal articles for classes. They are expected to prepare the readings beforehand and participate in discussions. Students must be prepared for classes, including: discussing cases, rules and theory of the subject; and reviewing questions that assigned in the readings. They will work at written assignments and presentations, take part on different discussions about economic problems on the course issue. Sometimes, they will be provided with hard-copies of necessary materials for their study and practice.

The Instructor is able to invite visiting specialists (guest lecturer) for some classes in order to illustrate specific and particular issues of the course subject.

3. Mid-Term and Final Exams.

In the middle of Fall-2013 students will have a **Mid-Term Exam** in written form. It will cover the **first half of the course** and include short-answers and/or essay questions. The Final Exam will cover **all subjects of the WHOLE course** and will be in written form too.

4. Academic Contact. Course Policies

Students are expected to be in time for classes. If Instructor marked the student absent in case that he is late for classes, **he is considered to be absent for the whole class**, unless excused by the Instructor.

If the student misses the class with an excuse of Instructor, special certificate (ex. medical, flight ticket) about the absence must be presented no later than the next class after when the student will come. In case when the requirements mentioned above are not observed, student's absence is considered to be unexcused. If the student misses 3 classes without excuse or 50% of the whole course (with or without excuse), student is given an “X” grade.

Students have to follow academic honesty code. **All types of cheating and cribbing, including plagiarism, during the course especially on exams, are strictly prohibited.**

If any student fails to observe this requirement, Instructor may give a grade from an “F” for the work up to the grade “F” for the whole course depending on the type of assignment and other situation.

Eating, drinking beverages, tea, coffee, smoking and sleeping during classes are not allowed. Students should do it on breaks before or after classes. Going out of the room and back during lecture is not approved, because it distracts attention of other students and Instructor. Students

should make all other non-study matters outside of the class. While classes and/or exams **mobile telephones and any other electronic devices** should be either turned off or kept on silence.

5.Control.

Being late and absent on lectures, seminars and/or exams without valid reasons are not be approved. Attendance of the students will be checking on every lecture or seminar. Missing lectures and non preparing writing works (tasks) on time without valid reasons will involve reduction of exam marks. Student's activity during lectures and seminars, discussion of studying themes and dialogues will be taken into consideration on exams. After exams students will be given marks and grades according to AUCA rules.

6.Grading

(a)Grading will be based on the following demands (in %%):

-Class attendance and activity	-15%
-Making written assignments, presentations	-15
-Mid-Term	-30
-Final exams	-40

(b)Grading criteria:

(A)	=	94-100 %
(A-)	=	90-93
(B+)	=	86-89
(B)	=	80-85
(B-)	=	77-79
(C+)	=	74-76
(C)	=	68-73
(C-)	=	64-67
(D+)	=	60-63
(D)	=	54-59
(D-)	=	50-53
(F)	=	<50

7. Subject Contents

Note: Dates of classes, breaks, State, National and Religious Holydays are appointed according to the Academic Calendar of AUCA.

WEEK 1 : January 15, Wednesday, 2014

Lecture: Democratic society. Separation of powers, free economy and real market relations.
Constitutions of USA and Kyrgyz Republic (KR): history, economy, business and property.

WEEK 2: Jan 22

Lecture and seminar: Government and other state institutions of KR, regulating economy and business. The Law of KR “On Normative Legal acts”. Codes and laws of KR, regulating economy and business. Tax Code of KR and economy.

WEEKS 3: Jan 29

Lecture and seminar: Civil Code of KR: legal entities and individuals. Deals, property, liabilities. The Laws of KR “On state registration of legal entities”. Customs Code and economy.

WEEKS 4: Feb 5

Lecture and seminar: The Laws of KR “On restriction of monopolistic activity, development and protection of a competition”, “On investments in KR” and “Operations in foreign currency”. Land Code of KR and economy.

WEEKS 5: Feb 12

Lecture and seminar: Legislation, Securities Market and economy. The Law of KR “On business partnerships and companies”. Joint Stock Companies and Corporate Governance, Water Code of KR and economy.

WEEK 6: Feb 19

Lecture and seminar: Civil Code, other laws of KR on Intellectual Property (IP) and business. Forest Code of KR and economy.

WEEK 7: Feb 26

Lecture and seminar: The Laws of KR “On Licensing”, “On Financial Leasing”, economy and business. Air Code and economy.

WEEK 8: March 3 – 7 Mid-Term Exam – **March 5 Wed., 14:10 – 15:25**

WEEK 9: Mar 12

Lecture and seminar: Legislation and banking activity as a “blood system” of economy. Status and role of NBKR. Labor Code of KR and economy.

WEEKS 10: Mar 19

Lecture and seminar: Legislation, commercial banks, Microfinance organizations and Credit Unions. Family Code of KR and economy.

WEEKS 11: Mar 26

Lecture and seminar: The Law of KR “About a Pledge”. Legal aspects of State, Commercial and Banking Secrets in the economy. Administrative Code and economy.

WEEK 12: Apr 2

Lecture and seminar: Legislation on Free economic Zones. Offshore Zones, Offshore Banks and business. The Laws of KR “On electronic payments”, “On electronic documents and electronic digital signature”.

WEEK 13: Apr 9

Lecture and seminar: Legal aspects of bankruptcy (insolvency) in the economy and business. Conservation, liquidation and bankruptcy of banks. Protection of bank deposits.

WEEK 14: Apr 16

Lecture and seminar: Law-enforcement authorities, economy and business. Responsibility on criminal legislation of KR for crimes in economic activity.

WEEK 15: Apr 23

Lecture and seminar: Judicial system. International Court of Arbitration and economic cases. Forcible and non-forcible crimes against economy. White Collar Crime and threat to economy.

WEEK 16: Apr 30

Lecture and seminar: International and Kyrgyz Legislation on Anti-Money Laundering and Terrorism Financing. Financial Action Task Force (FATF) recommendations.

May 3-12: Period of Final Exam: May 7, Wednesday, 2014. Time 14:10 – 15:25, Room _____

8. Literature

1. Syrykh V.M. Essential principles of jurisprudence. Publishing House “Bylina”.
2. Mikhaylenko N.T. Jurisprudence of the Kyrgyz Republic. Publishers “Bishkek”, 1997.
3. Lavrushin O.I. Banking business. Publishers “Moskow”, 1999.
4. Piter S. Rose, Banking Management, Publishers “Delo, Ltd.”, Moskow, 1995
5. Eriashvili N.D. Bank Law, Publishers “Unity”, “Moskow”, 1999.
6. Erpyleva N. International Banking Law, Publishers”Forum-Infra-M”, “Moskow”, 1998.
7. Charlesworth’s Business Law, Sixteenth edition by Paul Dobson, London, Sweet & Maxwell, 1997.
8. Banking and Financial Services Regulation, Second edition, William Blair, Austin Allison, Keith Palmer, Peter Richards-Carpenter, George Walker, Butterworths, London, Edinburgh, Dublin, 1998.
9. International Finance. Transactions, Policy and Regulation. 17th edition. Hal.Scott. Foundation Press. New York, New York. 2010.
10. Corporate and White Collar Crime. Cases and Materials. 4th Edition. Kathleen F.Brickley. ASPEN Publishers. 76 Ninth Avenue, New York, NY 10011. 2006.
11. Seminar on banking law. International Monetary Fund. Bishkek, Kyrgyz Republic, March 27-31, 2006.
12. “Fighting money laundering and terrorism finance”. Law in transition. Strengthening corporate practices. Annual journal, 2006. Printed in England by Moore. London. P. 12-19.
13. “Focus section: Implementing corporate governance frameworks”. Law in transition. Strengthening corporate practices. Annual journal. 2006. P. 34-67, 74-100.

14. Материалы Банковской конференции, посвященной Закону КР «О противодействии финансированию терроризма и легализации (отмыванию) доходов, полученных преступным путем». Бишкек, 25-27 сентября 2006г.
15. Холодкова Ю. «Внутренний контроль как один из компонентов повышения эффективности корпоративного управления в компаниях». Газета «Общественный рейтинг», №33 (402) от 18 сентября 2008г. С.7
16. Колдасова О. «Роль исполнительного органа в акционерных обществах». Газета «Общественный рейтинг», №38 (407) от 23 октября 2008г. С.11.
17. Орехов Г. «Осторожно, корпоративный шантаж!». Газета «Общественный рейтинг», №43 (412) от 27 ноября 2008г. С.8.
18. Пожарский В. «Миллион под подозрением». Газета «Дело №...», 1 ноября 2006г. С.6.
19. Солтоева А. «Намечается большая стирка!». Газета «Вечерний Бишкек», 10 ноября 2006г. С.8.
20. «Антиотмывочная» поправка подкашивает один банк в неделю». Интернет-журнал Point.Ru <http://news.mail.ru/economics/1778208/>

Mandatory Normative Legal Acts (NLA):

- I. Constitution of the Kyrgyz Republic
- II. Constitution of the USA
- III. Codes of the Kyrgyz Republic:
 - Civil Code: Part/Раздел I (Chapter/Глава 4,5,7), Part II, III, IV (Chapter 23-44), V.
 - Criminal Code: Part I-III, VIII.
 - Administrative Code, Tax, Customs, Land, Water, Air, Forest, Labor, Family Codes
- IV. Laws of the Kyrgyz Republic:
 - “On Normative Legal Acts of The Kyrgyz Republic”
 - “On restriction of monopolistic activity, development and protection of a competition”
 - “On state registration of legal entities”.
 - “On business partnerships and companies”
 - “On Joint Stock Companies”
 - “On Licensing”
 - “On Financial Leasing”
 - “On Micro-finance organizations in the KR”
 - “On The National Bank of the KR”
 - “On Banks and Banking activity in the KR”
 - “About a Pledge”
 - “On Securities Market”
 - “On bankruptcy (insolvency) ”
 - “On Conservation, Liquidation and Bankruptcy of Banks”.
 - “On counteraction to Terrorism Financing and Laundering of incomes derived by means of crime”
 - “On Protection of State Secrets of KR”
 - “On Commercial Secrets”
 - “On Banking Secrets”
 - “On Supreme Court and Lower Courts”
 - “On Arbitration Tribunal in KR”

Assistant Professor

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