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# BLOCKSEMINAR “GLOBALIZATION AND DEVELOPMENT”

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Jun.-Prof. Dr. Jann Lay

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Blockveranstaltung: 18.-19.06.2009 (Räume: Waldweg ERZ-209, VG 1.105)

Vorbesprechung 15.04.2009, 16:00-17:00 Uhr, Raum VG 4.105

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## ESSENTIAL INFORMATION

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### COURSE DESCRIPTION

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This MA seminar will deal with selected topics regarding the relationship between globalization and economic development. The focus will be on the effects of trade and trade liberalization on growth, inequality, and poverty in developing countries.

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### COURSE REQUIREMENTS

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To acquire 6 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%).

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### ELIGIBLE PARTICIPANTS

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The seminar is open to MA students in economics, MA students in the three business MA programs, and Diplom Students in VWL or BWL.

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### SEMINAR PAPERS

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The seminar papers should be written in English, comprising no more than 15 pages (Times New Roman, 12pt, 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. Guidelines on well-written papers can be found on the webpage of Prof. Klasen (<http://www.uni-goettingen.de/de/64390.html>).

Students should hand in an electronic (pdf) as well as two printed copies of their seminar papers (deadline 08.06.2009). The electronic version will then be made available to all other students for reading.

## PRESENTATIONS

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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. (Please don't forget about your audience and prepare a well structured, interesting and educational presentation!)

## DISCUSSIONS

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

## TIME SCHEDULE

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15.04.2009	Preliminary discussion
22.04.2009	Application deadline
27.04.2009	Announcement of participants
11.05.2009	Last date to withdraw from seminar
08.06.2009	Deadline for seminar papers. Electronic version and two printed copies should be handed in at 12:00 am latest.
18.-19.06.2009	Seminar with presentations and discussions

## APPLICATION

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Please send your application to [lay@giga-hamburg.de](mailto:lay@giga-hamburg.de). Please indicate your three preferred topics.

## GENERAL READING LIST (TO BE READ BY ALL PARTICIPANTS)

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Bhagwati, J. and T. N. Srinivasan (2002). Trade and Poverty in the Poor Countries, *American Economic Review*, 92(2), 180-183.

Dollar, D. (2005). Globalization, Poverty, and Inequality since 1980. *The World Bank Research Observer*, 20, 145-175.

Winters, L. A., McCulloch, N., and A. McKay (2004). Trade Liberalization and Poverty: The Evidence So Far. *Journal of Economic Literature*, 42 (1), 72-115.

*Some volumes that include a number of case studies. The introductory chapters give useful overviews:*

Bussolo, M. and J. Round (eds) (2005). *Globalisation and Poverty: Channels and Policy Responses*, Routledge.

Cockburn, J. and P. Giordano (eds) (2008). *Trade and Poverty in the Developing World*. PEP Network and Inter-American Development Bank.

Harrison, A. (ed) (2007). *Globalization and Poverty: An NBER Study*. University of California at Berkeley and NBER.

### *Other resources*

Website of the World Bank Trade Research Group, Centre for Global Development ([www.cdev.org](http://www.cdev.org)), Eldis ([www.eldis.org](http://www.eldis.org))

## TOPICS AND LITERATURE

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*Please note that the suggested literature only provides an entry point into the literature relevant to the respective topic.*

### I. THE EFFECTS OF TRADE ON GROWTH, INEQUALITY AND POVERTY: TRANSMISSION CHANNELS

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*This set of seminar papers will provide a general introduction on how globalization, especially increased trade and trade liberalization, affects growth, inequality, and, ultimately, poverty in developing countries. They will review the theoretical transmission channels of globalization on growth and poverty and the existing empirical evidence. In doing so, the papers can draw on the above general reading list plus the ones listed under each topic. Despite the fact that growth, inequality and poverty are intrinsically linked, seminar papers will deal with each of these topics separately. This means that the respective topic is to be prioritized and does not imply that the other topics will not be touched at all (this is almost impossible). Each topic will be dealt with by two students. In the presentation, one the two presenters will focus on the theoretical aspects, while the second will emphasize the empirical evidence. In the seminar papers, students will cover both theory and empirics.*

#### 1. TRADE AND GROWTH (TWO PARTICIPANTS)

Rodríguez, F. and D. Rodrik (2000). Trade Policy and Economic Growth: A Skeptic's Guide to the Cross-National Evidence. NBER Macroeconomics Annual, Bernanke, B. and K. S. Rogoff (eds), MIT Press for NBER, Cambridge, MA.

#### 2. TRADE AND INEQUALITY (TWO PARTICIPANTS)

Goldberg, P. K. and N. Pavcnik (2007). Distributional Effects of Globalization in Developing Countries. *Journal of Economic Literature*, 45(1), 39-82.

#### 3. TRADE AND POVERTY (TWO PARTICIPANTS)

Ravallion, M. (2006). Looking beyond averages in the trade and poverty debate. *World Development*, 34 (8), 1374-1392.

## II. REGIONAL PERSPECTIVES AND COUNTRY CASES

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*In these seminar papers, regional and country specificities of the trade-poverty link will be presented. While the papers will briefly reiterate the theoretical transmission channels, the focus will be on the empirical exploration of those channels that are particularly relevant in the respective context. In addition to the analysis of certain regional patterns, the seminar papers should include at least one single country case study. These case studies should play an important role in the presentations. Note that the cases of India and China will be dealt with in separate papers, i.e. for these papers, no overview of the regional patterns will be needed.*

### 1. SUB-SAHARAN AFRICA (TWO PARTICIPANTS; CASE STUDY PROPOSALS: MADAGASCAR, UGANDA, ZAMBIA)

Nissanke, M. and E. Thorbecke (2008). Introduction: Globalization-Poverty Channels and Case Studies from Sub-Saharan Africa. *African Development Review*, 20 (1), 1-19.

Nicita, A. (2006). Export led growth, pro-poor or not? Evidence from Madagascar's textile and apparel industry," Policy Research Working Paper Series 3841, The World Bank.

### 2. LATIN AMERICA AND THE CARIBBEAN (TWO PARTICIPANTS; CASE STUDY PROPOSALS: COLOMBIA, COSTA RICA, MEXICO)

Cockburn, J. and P. Giordano (eds) (2008). Trade and Poverty in the Developing World. PEP Network and Inter-American Development Bank. (Selected chapters.)

Lederman, D., Olarreaga, M. and G. Perry (eds) (2008). China's and India's Challenge to Latin America: Opportunity or Threat? World Bank publication.

### 3. ASIA (FOUR PARTICIPANTS, CASE STUDY PROPOSALS: CHINA, INDIA, VIETNAM, INDONESIA)

Ravallion, M. and S. Chen (2007). China's (uneven) progress against poverty, *Journal of Development Economics*, 82 (1), 1-42.

Huang, J., Liu, Y., Martin, W. and S. Rozelle (2008). Agricultural Trade Reform and Rural Prosperity: Lessons from China. NBER Working Papers 13958.

Topalova, P. (2007). Trade Liberalization, Poverty, and Inequality – Evidence from Indian Districts. In: Harrison, A., ed. (2007) *Globalization and Poverty: An NBER Study* (chapter 7). University of California at Berkeley and NBER (<http://www.nber.org/books/harr06-1>).

Niimi, Y., Dutta, P.V. and A. Winters (2003). Trade Liberalisation and Poverty Dynamics in Vietnam, PRUS Working Papers 17, Poverty Research Unit at Sussex, University of Sussex.

### III. TRADE POLICY

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#### 1. THE DOHA DEVELOPMENT ROUND (TWO PARTICIPANTS)

Martin, W., Mattoo, A. (2008). The Doha development agenda : what's on the table? Policy Research Working Paper Series 4672, The World Bank.

Mattoo, A. and A. Subramanian (2009). From Doha to the Next Bretton Woods - A New Multilateral Trade Agenda. *Foreign Affairs*. January/February 2009.

#### 2. AGRICULTURAL TRADE BARRIERS (TWO PARTICIPANTS)

Tokarick, S. (2008). Dispelling Some Misconceptions about Agricultural Trade Liberalization. *Journal of Economic Perspectives*, 22 (1), 199–216.

#### 3. PROJECTIONS OF THE EFFECTS OF THE DOHA ROUND (TWO PARTICIPANTS)

Hertel, T. W. and J. J. Reimer (2004). Predicting the poverty impacts of trade reform. Policy Research Working Paper Series 3444, The World Bank.