

Dr. Felicitas Nowak-Lehmann D.

**800031: Seminar on the Economic Situation of Latin America in the 21st Century:
'Challenges of Economic Development in Latin America (LA)'**

Module: M.WiWi-VWL.0024

January 25-16, 2026

1. Organizational issues

To be better able to foresee the demand for seminar places, we would like you to sign-up for seminars (not yet topics) between 15 September and 15 October. Students will be informed about the process in an email via the economics newsletter. Incoming exchange and double degree students will also be informed. Many thanks for your collaboration!

Topic selection: Please register and select your preferred TOPIC via Stud.IP.

In order to state your preferences, in Stud.IP, go to 'Participants' – 'Functions/Groups', and choose a topic by joining a group. Only one topic per person can be chosen. **Registration for topics begins on October 27, 2025 (noon).**

Topics are allocated according to a first come, first serve basis and by certain priority criteria¹. **Please note that the introductory meeting on 29 October (12:00-13:00, OEC tba) is mandatory. The final allocation of topics will take place there and some information on the course will be given.** If you cannot personally attend/join, please send a substitute person to join in for you, and to share the pertinent information with you.

Up to two students may work on the same topic. Each student, however, is required to write individual seminar papers and make individual presentations. The seminar paper counts 2/3 towards the final grade.

Presentations should be created in a printer-friendly version (white background!). Presentation and participation in discussions count together 1/3 towards the final grade.

Registration: Please register in **Flex Now** to be formally enrolled in the seminar and be able to earn credits (see dates below). Withdrawal from the course after registration deadline in Flex Now is only possible with a medical certificate.

2. Important Comments & Dates

- Announcements related to the seminar can be found in Stud IP under course 'announcements'
- Reservation of seminar topics will start on 27 October, 12:00, in Stud IP
- Introductory meeting in presence (OEC tba), 29 October, 12:00-13:00; final allocation of seminar topics

¹ You have a high priority if you are in the 4th or 5th semester in the MSc program.

- Registration in FlexNow: 29 October – 7 November, 2025 (latest possible registration by 7 November!)
- 2-day block seminar in presence: January 15-16, 2026; ROOM tba

Office hours (with appointment only, please book appointment via Stud IP):

Felicitas Nowak-Lehmann

Wednesday, 11-12h (in person: OEC 2.205) or via ZOOM

[https://uni-](https://uni-goettingen.zoom.us/j/97020569244?pwd=Z2Uwd3lRa21mbVJSS2JUZXN1BnUT09)

[goettingen.zoom.us/j/97020569244?pwd=Z2Uwd3lRa21mbVJSS2JUZXN1BnUT09](https://uni-goettingen.zoom.us/j/97020569244?pwd=Z2Uwd3lRa21mbVJSS2JUZXN1BnUT09)

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3. List of topics

The introductory literature is listed below, followed by the list of topics.

General recommended literature on the economics of migration, its determinants and its impact:

Agafitei, M. and Ivan, G. (2016/2022) First and second-generation immigrants-statistics on education and skills: EUROSTAT statistics-explained:

https://ec.europa.eu/eurostat/statistics-explained/index.php?title=First_and_second-generation_immigrants_-_statistics_on_education_and_skills#Educational_attainment_level.

Bansak, C., N. Simpson, and M. Zavodny (2015). The Economics of Immigration. Oxford: Routledge.

Beine; M. , Docquier, F. and Rapoport; H. (2008). Brain Drain and Human Capital Formation in Developing Countries: Winners and Losers. Economic Journal, vol. 118(528), 631-652.

Borjas, G.J. (2015a). Immigration Economics. Cambridge, MA: Harvard University Press.

Borjas, G.J (2015b). "[Immigration and Globalization: A Review Essay](#)," [Journal of Economic Literature](#), American Economic Association, vol. 53(4), pages 961-974, December.

Chiswick, B.R. and P.W. Miller (eds.) (2015). Handbook of the Economics of International Migration. Amsterdam: North-Holland (Elsevier Science).

Frank K. and Hou F. (2018) Over-education and well-being: how does education-occupation mismatch affect the life satisfaction of university-educated immigrant and non-immigrant workers? *Ethn Health*, 23(8), 884-901. doi: 10.1080/13557858.2017.1316832 . Epub 2017 Apr 17. PMID: 28415851 .

Hendriks, M. (2018) Does migration increase happiness? It depends. Migration Policy Institute (MPI). <https://www.migrationpolicy.org/article/does-migration-increase-happiness-it-depends>

Ingwersen, K. and Thomsen, S.L. (2021) The immigrant-native wage gap in Germany revisited. *The Journal of Economic Inequality*, 19, 825-854.

Rapoport, H. and F. Docquier (2006). The economics of migrants' remittances. Handbook of the economics of giving, altruism and reciprocity, 2: 1135-1198.

Pew Research Center (2013) Second-generation Americans. A portrait of the adult children of immigrants. <https://www.pewresearch.org/social-trends/2013/02/07/second-generation-americans/>

Pew Research Center (2023) Immigrant share in population. <https://www.pewresearch.org/chart/immigrant-share-of-population/>

United Nations, Department of Economic and Social Affairs, Population Division (2018). International Migration Report 2017: Highlights (ST/ESA/SER.A/404).

United Nations, Department of Economic and Social Affairs (2017). Trends in International Migrant Stock: Migrants by Destination and Origin (United Nations database, POP/DB/MIG/Stock/Rev.2017). <https://www.un.org/en/development/desa/population/migration/data/estimates2/estimates17.asp>

General literature for an overview of the determinants of migration

a) Push factors

- i) Economic factors: poverty, low wages, inequality, taxes, unemployment, overpopulation

Ambrosini, J.W. and G. Peri (2012). The determinants and the selection of Mexico–US migrants. *World Economy*, 35(2): 111-151.

- ii) Non-economic: criminality, war, political unrest, corruption, natural disasters, climate change, poor institutions (health care, education systems)

Cattaneo, Cristina & Peri, Giovanni, 2016. "[The migration response to increasing temperatures](#)," [Journal of Development Economics](#), Elsevier, vol. 122(C), pages 127-146.

b) Pull factors

- i) Economic: demand for labor in specific sectors, demand for temporary labor, higher wages, generous welfare systems, healthcare and education systems, economic growth, technology
- ii) Non-economic: Networks (diaspora, family), rights and freedoms, opportunities, property rights, rule of law, climate, gender discrimination

Kaivan Munshi, 2003. "[Networks in the Modern Economy: Mexican Migrants in the U. S. Labor Market](#)," [The Quarterly Journal of Economics](#), Oxford University Press, vol. 118(2), pages 549-599.

General literature on migration and remittances in Latin America

Fajnzylber, P. and López, J.H. (eds; 2008). Remittances and development: Lessons from Latin America. Latin American Development Forum Series. The World Bank. Washington, D.C.

<https://openknowledge.worldbank.org/handle/10986/6911>

Specific literature on FDI

Gob.cl (Government of Chile), Chilean Government launches the “Let’s Invest in Chile” plan, which aims to increase investment through 28 specific measures, <https://www.gob.cl/en/news/chilean-government-launches-the-lets-invest-in-chile-plan-which-aims-to-increase-investment-through-28-specific-measures/>, 12 Sep 2022

Ministerio de Hacienda, Plan invirtamos en Chile, <https://www.hacienda.cl/areas-de-trabajo/politicas-microeconomicas/plan-invirtamos-en-chile/documentos/minuta-con-detalle-de-medidas>, 09 Sep 2022

TOPICS

Thematic area I: Impact of migration in sending and receiving countries

Topic 1: Does migration lead to brain drain or brain gain? General theoretical insights and evidence regarding Latin America.

Bonilla, I. (2024) Latin American Region Facing the Brain Drain. *Global Journal of Human-Social Science*, 24(6), 31-44.

Docquier, F. and Rapoport, H. (2012). Globalization, Brain Drain, and Development. *Journal of Economic Literature*, 50(3), 681-730.

Gibson, J. & McKenzie, D. (2012). The Economic Consequences of 'Brain Drain' of the Best and Brightest: Microeconomic Evidence from Five Countries. *Economic Journal*, 122(560), 339-375.

Yu, Y. (2024) Brain drain and brain gain in Hong Kong's population shuffle. Feature. MPI. Migration Policy Institute (April 3, 2024).

Topic 2: How successful are immigrants (in terms of educational attainment, earnings, and life satisfaction)?

Abramitzky, R. , Boustan, L., Jácome, E., Pérez, S. (2021) Intergenerational Mobility of Immigrants over Two Centuries. *American Economic Review*, 111(2), 580-608.

Ansala, L., Hämmäläinen, U. and Sarvimäki, M. (2020) Age at arrival, parents and neighborhoods: understanding the educational attainment of immigrants' children. *Journal of Economic Geography*, 20(2), 459-480.

Pineda-Hernández, K., Rycx, F. and Volral, M. (2025) Moving up the social ladder? Wages of first and second generation immigrants from developing countries. *The Journal of Economic Inequality*. <https://doi.org/10.1007/s10888-024-09663-4>.

Yaman, F., Cubi-Molla, P., and Plagnol, A.C. (2022) Why do immigrants become less happy? Explanations for the decrease in life satisfaction of immigrants in Germany over time. *Migration Studies*, 10(4), 670–702, <https://doi.org/10.1093/migration/mnac034>.

Topic 3: What impact does migration have on the labor markets of sending countries (e.g., impact on wages and labor force participation)?

Asiedu, E. and Chimbar, N. (2020). Impact of remittances on male and female labor force participation patterns in Africa: Quasi-experimental evidence from Ghana. *Review of Development Economics*.

<https://onlinelibrary.wiley.com/doi/10.1111/rode.12668>.

Paul, S. (2018) The Effect of Emigration on Household Labor Supply: Evidence from Central Asia and South Caucasus. ADBI Working Paper 822. Tokyo: Asian Development Bank Institute. <https://www.adb.org/publications/effect-emigration-household-labor-supply-evidence-central-asia-and-south-caucasus>.

Topic 4: What effect do immigrants have on the labor market in their host countries? Are they a threat or a positive addition?

Bureau of Labor Statistics (2024) Employment trends of Hispanics in the U.S. labor force. BLS. Washington, D.C. <https://www.bls.gov/blog/2024/employment-trends-of-hispanics-in-the-us-labor-force.htm>.

Bureau of Labor Statistics (2024) Labor force characteristics by race and ethnicity. Report, 2023. BLS. Washington, D.C. <https://www.bls.gov/opub/reports/race-and-ethnicity/2023/home.htm>.

Wolla, S.A. (2014) The economics of immigration: A story of substitutes and complements. Federal Reserve Bank St. Louis. St. Louis. <https://www.stlouisfed.org/publications/page-one-economics/2014/05/01/the-economics-of-immigration-a-story-of-substitutes-and-complements>.

Thematic area II: Development Finance in Latin America: Remittances, Foreign Aid, FDI

Topic 5: Remittances are crucial for many developing countries. What affect do they have on economic development (poverty, inequality and economic growth) in their home countries?

Kóczán, Z. and Loyola, F. (2018). How Do Migration and Remittances Affect Inequality? A Case Study of Mexico. IMF Working Paper WP/18/136. <https://www.imf.org/-/media/Files/Publications/WP/2018/wp18136.ashx>.

Vacaflor, D. (2018) Are remittances helping lower poverty and inequality levels in Latin America? *The Quarterly Review of Economics and Finance*, Vol. 68, pages 254-265.

<https://www.sciencedirect.com/science/article/abs/pii/S1062976917301722?via%3Dihub>.

Ziesemer, T.H.W. (2012) Worker remittances, migration, accumulation and growth in poor developing countries: Survey and analysis of direct and indirect effects. *Economic Modelling*, 29, 103-118.

<https://www.sciencedirect.com/science/article/pii/S0264999311002057>.

Topic 6: From a macroeconomic perspective, what are the reasons for aid ineffectiveness?

An analysis of the macroeconomic transmission channels of foreign aid, including investment, domestic savings, the real exchange rate, and total factor productivity.

Gross, E. and Nowak-Lehmann D. (2022) What effect does development aid have on productivity in recipient countries? *Review of Development Economics*, 26(3), 1438-1465.

Kahsay, S. T. (2019) The Effect of Foreign Aid on Economic Growth in Developing Countries. Evidence on Sub Saharan Africa, Panel Data Analysis.

<https://www.grin.com/document/537309?srsId=AfmBOoqbXMD-AMM1i3gdSOxXAbAwE57-jLAbVEofjeK-mVoDx9KGcbUq>.

Nowak-Lehmann, F., Dreher, A., Herzer D., Klasen, S. and Martínez-Zarzoso, I. (2012) Does foreign aid really raise per capita income? A time series perspective. *Canadian Journal of Economics*, 45(1), 288-313.

Topic 7: The dangers of short-term capital inflows and capital flow reversals. How to avoid these dangers and how to manage short-term capital inflows?

Cavallo, E.A. (2019). International capital flow reversals. IDB Working Paper series No. IDB-WP-1040. Inter-American Development Bank, Washington D.C.

Levy Yeyati, E. (2020). After the default: Argentina's unsustainable '20/80' economy. Brookings, September 17, 2020.

<https://www.brookings.edu/articles/after-the-default-argentinas-unsustainable-20-80-economy/>.

Topic 8: How can FDI flows be managed? Under what circumstances can foreign direct investment (FDI) be beneficial? The case of Chile.

Caycedo, S. (2018). Foreign direct investment in developing countries. A blessing or a curse? Yale Environment Review. Yale University.

Moran, T., Görg, H., Seric, A. and Krieger-Boden, C. (2017) Attracting quality foreign direct investment in developing countries. International Growth Center (IGC). London. <https://www.theigc.org/blogs/attracting-quality-foreign-direct-investment-developing-countries>.

UNCTAD (2022). Investment Policy Hub. Chile. Launches new plan aiming to increase FDI. <https://investmentpolicy.unctad.org/investment-policy-monitor/measures/4259/chile-launches-new-plan-aiming-to-increase-fdi>.

U.S. Department of State (2024) 2024 Investment climate statements: Chile. <https://www.state.gov/reports/2024-investment-climate-statements/chile#:~:text=The%20Government%20of%20Chile%20does%20not%20have,nor%20does%20it%20impose%20restrictions%20on%20FDI>.