
BLOCK SEMINAR

GLOBALIZATION AND DEVELOPMENT

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**PLEASE READ THE FOLLOWING INSTRUCTIONS CAREFULLY!
THEY SHOULD ANSWER ALL YOUR QUESTIONS!**

Preliminary discussion: May 9th, 2014, 12-14 h, Oec 0.169

Block course: June 20 and June 23, 2014, 8-18 h, Oec 0.165

Please contact Maria C. Lo Bue directly under the above email-addresses for registering (**after April 1st, see schedule below**) and the selection of the seminar paper's topic indicating your preferences (max. three papers from the list below). You will find all the papers on StudIP.

COURSE DESCRIPTION

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.

Language of instruction: English, but seminar papers can be written in German.

Compulsory meeting I: You should be present at the preliminary discussion. It may be that slots are already limited at the meeting.

Compulsory meeting II: You should meet your supervisor (either Maria C. Lo Bue or Jann Lay) at least once to discuss the table of contents of your paper. This meeting is compulsory. Appointments can be made via email.

TIME SCHEDULE

April 1, 2014	Application for seminar papers starts, topics are allocated according to “first-come-first-served”
May 9, 2014	Compulsory preliminary discussion and announcement of participants
May 12, 2014	Deadline for registration through FlexNow
June 17, 2014	Deadline for seminar papers. Only an electronic version should be sent in at 12:00 am latest.
June 20 and 23, 2014	Seminar

COURSE REQUIREMENTS

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%).

ELIGIBLE PARTICIPANTS

The seminar is open to MA students in economics, MA students in the three business MA programs, and Diplom Students in VWL or BWL. Ideally (but not necessarily), students have already participated in development economics classes.

SEMINAR PAPERS

The seminar papers should be written in English or German, 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.

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

PRESENTATIONS

The presentations should be in English and have a maximum (!) length of 30 min focusing on the main insights of the seminar paper. 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 do not forget about your audience and prepare a well structured, interesting and educational 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 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.

TOPICS

You can choose from one of the below topics, but are also welcome to suggest alternative ones!

TOPICS

DEFINING AND MEASURING GLOBALIZATION

Dreher, A., Gaston, N. Martens, P. (2008). Measuring Globalisation: Gauging its Consequences. Springer Verlag, in particular 5-74.

OECD (2010), Measuring Globalisation. OECD Economic Globalisation Indicators.

Scholte, J. A. (2008). Defining Globalisation. *World Economy*, 31(11), 1471-1502.

DOES TRADE LEAD TO HIGHER GROWTH?

Cadot, O., Carrere, C., Strauss-Kahn, V. (2013). Trade Diversification, Income, and Growth: What Do We Know?. *Journal of Economic Surveys*, 27(4), 790-812.

Dollar, D. Kraay, A. (2004). Trade, Growth, and Poverty. *The Economic Journal*, 114(493), F22-F49.

Dollar, D., Kraay, A. (2003). Institutions, trade, and growth. *Journal of monetary economics*, 50(1), 133-162.

Edwards, S. (1997). Trade policy, growth, and income distribution. *American Economic Review*, 205-210.

Frankel, J. A., Romer, D. (1999). Does trade cause growth? *American Economic Review*, 89, 379-399.

Rodríguez, F., Rodrik D. (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.

CAPITAL ACCOUNT LIBERALIZATION, FINANCIAL GLOBALIZATION AND DEVELOPMENT

- Alfaro L., Kalemli-Ozcan, S., Volosovych, V. (2008). Why doesn't Capital Flow from Rich to Poor Countries? An Empirical Investigation. *Review of Economics and Statistics*, 90, 2, 347-368.
- Alfaro, L., Chanda, A., Kalemli-Ozcan, S., Sayek, S. (2004). FDI and Economic Growth: The Role of Local Financial Markets. *Journal of International Economics*, 64, 1, 89-112.
- Cline, W. R. (2010). Financial Globalization, Economic Growth, and the Crisis of 2007-09. Peterson Institute.
- Eichengreen, B. (2001). Capital Account Liberalization: What Do Cross-Country Studies Tell Us?. *The World Bank Economic Review*, 15(3), 341-365.
- Klein, M. W., Olivei, G. P. (2008). Capital account liberalization, financial depth, and economic growth. *Journal of International Money and Finance*, 27(6), 861-875.
- Rose, M., Prasad, E., Rogoff, K., Wei, S. (2009). Financial globalization: a reappraisal. *IMF Staff Papers*, 56(1), 8-62.
- Schularick, M., Steger, T. M. (2010). Financial integration, investment, and economic growth: evidence from two eras of financial globalization. *The Review of Economics and Statistics*, 92(4), 756-768.

COMPETING CONCEPTS OF INEQUALITY IN THE GLOBALIZATION DEBATE

- Ezcurra, R., Rodríguez-Pose, A. (2013). Does Economic Globalization affect Regional Inequality? A Cross-country Analysis. *World Development*, 52, 92-103.
- Ravallion, M., Ferreira, F. (2008). Global Poverty and Inequality. A Review of the Evidence. World Bank Policy Research Working Paper 4623, The World Bank, Washington, DC.
- Williamson, J. G. (1997). Globalization and Inequality, Past and Present. *World Bank Research Observer*, 12 (2), 117-135.
- World Bank (2005). World Development Report 2006: Equity and Development, in particular p. 57.

DOES GLOBALIZATION MAKE THE POOR POORER AND THE RICH RICHER? INEQUALITY TRENDS WITHIN DEVELOPING COUNTRIES

- Ezcurra, R., & Rodríguez-Pose, A. (2013). Does Economic Globalization affect Regional Inequality? A Cross-country Analysis. *World Development*, 52, 92-103.
- Goldberg, P. K., Pavcnik, N. (2007). Distributional Effects of Globalization in Developing Countries. *Journal of Economic Literature*, 45(1), 39-82.
- Wade, R. H. (2004). Is globalization reducing poverty and inequality?. *World Development*, 32(4), 567-589.

THE LINKS BETWEEN TRADE LIBERALIZATION AND POVERTY

Dollar, D., Kraay, A. (2004). Trade, Growth, and Poverty. *The Economic Journal*, 114(493), F22-F49.

Hertel, T. W., Ivanic, M., Preckel, P. V., Cranfield, J. A. (2004). The earnings effects of multilateral trade liberalization: implications for poverty. *The World Bank Economic Review*, 18(2), 205-236.

Winters, A. (2002). Trade Liberalisation and Poverty: What are the Links?. *The World Economy*, 25(9), 1339-1367.

Winters, L. A., McCulloch, N., McKay, A. (2004). Trade liberalization and poverty: the evidence so far. *Journal of Economic literature*, 42(1), 72-115.

DO AGRICULTURAL SUBSIDIES IN RICH COUNTRIES REALLY HURT THE POOR?

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

Winters, A. (2005). The European agricultural trade policies and poverty. *European Review of Agricultural Economics*, 32(3), 319-346.

AGRICULTURAL HIGH VALUE PRODUCTS: PATHWAY OUT OF POVERTY?

Maertens, M., Swinnen, J. (2009). Trade, Standards, and Poverty: Evidence from Senegal. *World Development*, 37(1), 161-178.

Minot, N., Roy, D. (2007). Impact of high-value agriculture and modern marketing channels on poverty: An analytical framework. International Food Policy Research Institute, Washington, DC.

MANUFACTURING IN POOR COUNTRIES: YET ANOTHER FORM OF EXPLOITATION?

Justino, P., Litchfield, J. Pham, H. (2008). Poverty Dynamics During Trade Reform: Evidence From Rural Vietnam. *Review of Income and Wealth*, 54(2), 166-192.

Kabeer, N., Mahmud, S. (2004). Globalization, gender and poverty: Bangladeshi women workers in export and local markets. *Journal of International Development*, 16(1), 93-109.

Nicita, A. (2008). Export led growth, pro-poor or not? Evidence from Madagascar's textile and apparel industry. *Journal of African Economies*, 17(3), 465-489.

RISING FOOD PRICES AND THE POOR

Ferreira, F., Fruttero, A., Leite, P., Lucchetti, L. (2011). Rising Food Prices and Household Welfare. Evidence from Brazil in 2008. Policy Research Working Paper 5652, The World Bank, Washington, DC.

Headey, D., Fan, S. (2008). Anatomy of a crisis: the causes and consequences of surging food prices. *Agricultural Economics*, 39(s1), 375–391.

Mitchell, D. (2008). A Note on Rising Food Prices. Policy Research Working Paper 4682. The World Bank, Washington, DC.

Wodon, Q., Zaman, H. (2009). Higher Food Prices in Sub-Saharan Africa: Poverty Impact and Policy Responses. *The World Bank Research Observer*, 25(1), 157-176.

LAND GRAB OR BENEFICIAL INVESTMENT? LARGE-SCALE AGRICULTURAL INVESTMENTS IN DEVELOPING COUNTRIES

Anseeuw, W.; Boche, M.; Breu, T.; Giger, M.; Lay, J.; Messerli, P. and K. Nolte (2012). Transnational land deals for agriculture in the 'Global South'. Analytical Report Based on the Land Matrix Database. CDE/CIRAD/GIGA, Bern/Montpellier/Hamburg.

Arezki, R., Deininger, K., Selod, H. (2013). What Drives the Global Land Rush?. *World Bank Economic Review*. Online advance access.

Cotula, L., Vermeulen, S., Leonard, R., Keeley, J. (2009). Land grab or development opportunity? Agricultural investment and international land deals in Africa. FAO, IIED and IFAD.

Giovannetti, G., Ticci, E. (2013) Foreign Direct Investment in Sub Saharan Africa: drivers and the challenge of the land energy nexus. DISEI Working Paper Series 09/2013. Università degli Studi di Firenze, Department of Economics.

MIGRATION, TRADE AND DEVELOPMENT

Bratti, M., De Benedictis, L., Santoni, G. (2012), On the pro-trade effects of immigrants, Discussion Papers 6628 6628, Institute for the Study of Labor (IZA).

Demeny, P. (2002). Prospects for international migration: Globalization and its discontents. *Journal of Population Research*, 19(1), 65-74.

Ehrhart, H., Goff, M. L., Rocher, E., Singh, R. J. (2014), Does migration foster exports? Evidence from Africa. Policy Research Working Paper 6739, World Bank.

Lucas, R. E. (2006). Migration and economic development in Africa: A review of evidence. *Journal of African Economies*, 15 (suppl 2), 337-395.

Özden C., Parsons, C. R., Schiff, M., Walmsley, T. L. (2011), Where on Earth is Everybody? The Evolution of Global Bilateral Migration 1960–2000. *World Bank Economic Review*, 25:1, pp. 12-56.

Parsons C. R. (2012), Do Migrants Really Foster Trade? The Trade-Migration Nexus, A Panel Approach 1960-2000. World Bank Policy Research Working Paper No. 6034.

Skeldon, R. (2008). International migration as a tool in development policy: a passing phase? *Population and development review*, 34(1), 1-18.

GLOBALIZATION, PATENTS, AND HEALTH

Attaran, A. (2004). How do patents and economic policies affect access to essential medicines in developing countries?. *Health Affairs*, 23(3), 155-166.

Hudson, J., Alexandru, M. (2013). Innovation, Intellectual Property Rights, and Economic Development: A Unified Empirical Investigation. *World Development*, 46(C), pages 66-78.

Kremer, M. (2002). Pharmaceuticals and the developing world. *Journal of Economic Perspectives*, 67-90.

Lanjouw, J. O., Cockburn, I. M., (2001). New Pills for Poor People? Empirical Evidence after GATT. *World Development*, 29(2), pages 265-289, February.

Qian, Y. (2007). Do national patent laws stimulate domestic innovation in a global patenting environment? A cross-country analysis of pharmaceutical patent protection, 1978-2002. *The Review of Economics and Statistics*, 89(3), 436-453.

Taubman, A., Wager, H., Watal, J. (Eds.). (2012). A handbook on the WTO TRIPS agreement. Cambridge University Press.

Trouiller, P., Olliaro, P., Torreele, E., Orbinski, J., Laing, R., Ford, N. (2002). Drug development for neglected diseases: a deficient market and a public-health policy failure. *The Lancet*, 359(9324), 2188-2194.

SOME GENERAL READINGS

Bacchetta, M., Jansen, M. (Eds.). (2011). Making globalization socially sustainable. World Trade Organization.

Bhagwati, J. (2004). In defense of globalization. Oxford University Press, New York.

Bhagwati, J., Srinivasan, T.N. (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.

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

Wade, R. H. (2004). Is Globalization Reducing Poverty and Inequality? *World Development*, 32(4), 567-589.

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

Other resources

Website of the World Bank Trade Research Group, Centre for Global Development (www.cgdev.org),
Eldis (www.eldis.org)