

Sophia Kan, PhD candidate (chair Prof. Klasen)

800031 WKLA II : Trade-related and Macroeconomic Issues in Latin American Economic Policy Making

Module: M.WiWi.VWL.0023 (Seminar)

15-16 JULY 2016

Organizational issues

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 begins on **4 April 2016**.

Up to two students may work on the same topic. Each student, however, is required to write individual seminar papers. In terms of presentations, students are encouraged to organize joint-presentations (with someone working on the same topic).

Topics are allocated according to a first come, first serve basis and by certain priority criteria¹. Please note that the introductory meeting 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, please send a substitute person to attend for you, and to share the pertinent information with you.

You can select your topic preferences starting on 4 April 2016 at 12h (noon; not before, and only through Stud.IP).

Introductory session and final allocation of topics:

14 April 2016 (12-13h), VG 3.101

Last possible enrollment day in order to earn credit:

by 21 April 2016 latest (via FlexNow; withdrawal from the course after this date is only possible with a medical certificate)

Handing-in of seminar papers (2 hard copies):

8 July 2016 (12h), (the seminar paper counts 2/3 towards the final grade)

¹ You have a high priority if you are in the 4th or 5th semester in the MA program. Therefore, please state which MA semester you are currently in and whether you are a student of MA Development Economics or MA International Economics or any other MA program.

Sending of power point presentations via Stud IP e-mail distribution list:

13 July 2016 (12h) PPT in a printer-friendly (white background!) version; (presentation and participation in discussions count together 1/3 towards the final grade)

The BLOCK SEMINAR takes place from:

15-16 July 2016. Presence and full participation during these two days is required.

Location/room on first and second day: OEC 1.162

Office hours

Feli Nowak-Lehmann

Wednesday, 11-12h (without appointment) & Thursday, 14-16h only by appointment, OEC 2.205, Tel: 0551 39-7487, fnowak@uni-goettingen.de.

Sophia Kan

Office hours by appointment, OEC 2.146, Tel: 0551 39-8169, skan@uni-goettingen.de.

List of topics

To find out who is the **supervisor** in charge for the topic, please refer to the initials FN (Feli Nowak) or SK (Sophia Kan).

The introductory literature (listed below) is downloadable under *documents* in Stud IP.

Seminar on Globalization and Development with Special Focus on Latin America (LA)

I. Exchange Rate Systems in a Globalized World [FN]

Topic 1 [FN]: Is there an optimal exchange rate system for developing countries? The Latin American (LA) experience with fixed and flexible exchange rate systems (choose one LA country)

Corbo, V. (2002) Exchange Rate Regimes in the Americas: Is Dollarization the Solution? Monetary and Economic Studies, Universidad Católica de Chile, Santiago, Dec. 2002: 91-122

Yagci, F. (2001) Choice of Exchange Rate Regimes for Developing Countries. Africa Region Working Paper Series No. 16, World Bank, Washington D.C.

Topic 2 [FN]: How do fixed exchange rate systems cope with capital inflows? Theoretical aspects and empirical evidence from Latin America (choose one LA country)

Jeanne, O. (2012) Capital Flow Management. American Economic Review: Papers and Proceedings, 102(3): 203-206.

Powell, A. and Tavella, P. (2012) Capital Inflow Surges in Emerging Economies: How Worried should LAC be? Inter-American Development Bank. Department of Research and Chief Economist, Washington D.C.

Topic 3 [FN]: Capital outflows and volatility put fixed exchange rate systems under pressure. Theoretical aspects and empirical evidence from Latin America (choose one LA country)

Nunnenkamp, P. (2001) Too Much, Too Little, or Too Volatile? International Capital Flows to Developing Countries in the 1990s. Kiel working Paper No. 1036, Kiel Institute of World Economics.

World Bank (2009) Swimming Against the Tide: How Developing Countries are Coping with the Global Crisis. Background Paper Prepared by World Bank Staff for the G20 Finance Ministers and Central Bank Governors Meeting, Horsham, United Kingdom on March 13-14, 2009.

II. The Decision to Liberalize International Trade in a Globalized World [FN]

Topic 4 [FN]: The Latin American experience with import substitution policy. Theoretical aspects and empirical evidence (choose one LA country)

Baer, W. (1972) Import Substitution and Industrialization in Latin America: Experiences and Interpretations. *Latin American Research Review* 7(1): 95-122.

CREDO (2010) Import Substitution Industrialization, in: Princeton Encyclopedia of the World Economy. Princeton, NJ: Princeton University Press.

Topic 5 [FN]: The Latin American experience with trade liberalization. Theoretical aspects and empirical evidence (choose one LA country)

Edwards, S. and Lederman, D. (1998) The Political Economy of Unilateral Trade Liberalization: The Case of Chile. NBER Working Paper Series No. 6510. National Bureau of Economic Research. Cambridge, MA.

Fernandez de Cordoba, S., Laird, S., Maur, J.-C. and Serena, J.M. (2006) Adjustment Costs and Trade Liberalization (Chap. 2), in: Coping with Trade Reforms, S. Laird et al. (eds.): Basingstoke, UK: Palgrave Macmillan.

III. The Decision to Liberalize the Labor Market in Developing Countries [FN]

Topic 6 [FN]: What are the effects of labor market regulation and labor market reform. The Latin American (LA) experience

Cox Edwards, A. (1997) Labor Market Regulation in Latin America: An Overview, in: *Labor Markets in Latin America*, Edwards, S. & Lustig, N.C. (eds.). Washington, D.C.: Brookings Institution Press.

Guasch, J.L. (1999) Labor Market Reform and Job Creation. The Unfinished Agenda in Latin American and Caribbean Countries, Washington D.C.: The World Bank.

Topic 7 [FN]: Are minimum wages a good idea? Discuss the pros and cons from a developing country's perspective and analyze minimum wage setting in LA

Cunningham, W. (2012) Minimum Wages and Social Policy. Lessons from Developing Countries. Directions in Development. The World Bank.

Riveros, L. (2001) Minimum Wages in Latin America: The Controversy about Their Likely Economic Effects, in: Labor Market Policies in Canada and Latin America. Challenges of the New Millennium, Berry, A. (ed.), Norwell, MA: Kluwer Academic Publisher.

IV. Macro- and Microeconomic Aspects of Labor Markets in Developing Countries [SK]

Topic 8 [SK]: What drives or hinders female labor force participation in Latin America, and what are the implications? Choose two countries, and compare and contrast.

Abramo, L., & Valenzuela, M. E. (2005). Women's labour force participation rates in Latin America. *International Labour Review*, 144(4), 369-400.

Duryea, S., & Székely, M. (2000). Labor markets in Latin America: a look at the supply-side. *Emerging Markets Review*, 1(3), 199-228.

Psacharopoulos, G., & Winter, C. (1992). Women's Employment and Pay in Latin America. *Finance and Development*, 29(4), 14.

Topic 9 [SK]: How does migration (either domestic or national) affect the wellbeing of households left behind? Case study on one LA country.

Acosta, P., Calderón, C., Fajnzylber, P. and López, H. (2006), Remittances and Development in Latin America. *World Economy*, 29: 957–987.

Adams, R. H., & Page, J. (2005). Do international migration and remittances reduce poverty in developing countries?. *World Development*, 33(10), 1645-1669.

Fajnzylber, P., & Lopez, J. H. (Eds.). (2008). Remittances and development: lessons from Latin America. World Bank Publications.

Topic 10 [SK]: The gender wage gap in developing countries. Is LA region different?

Angel-Urdinola, D. F. and Wodon, Q. (2006), The Gender Wage Gap and Poverty in Colombia. *LABOUR*, 20: 721–739.

Seguino, S. (2000). Gender inequality and economic growth: A cross-country analysis. *World Development*, 28(7), 1211-1230.

Weichselbaumer, D., & Winter-Ebmer, R. (2005). A meta-analysis of the international gender wage gap. *Journal of Economic Surveys*, 19(3), 479-511.