



SAPIENZA, UNIVERSITY OF ROME
MSc in Economics for Development
Academic Year 2017-2018

INTERNATIONAL ECONOMIC POLICY AND DEVELOPMENT
**JEAN MONNET CHAIR - RETHINKING THE EU TRADE POLICY FOR DEVELOPMENT/
REUTRADE**
'WITH THE SUPPORT OF THE ERASMUS+ PROGRAMME OF THE EUROPEAN UNION'

Teacher: Prof. Pierluigi Montalbano

<https://sites.google.com/a/uniroma1.it/pierluigimontalbano-eng/>

Aims:

The Course aims at providing students with the following achievements:

Knowledge: to acquire knowledge on international trade, economic performance and living conditions in developing countries. This knowledge should include an appreciation of long and short-run trends in welfare indicators, including regional variations, and of the major policy shifts which have taken place over the last four decades.

Debates: to understand contemporary debates in development (e.g., trade and poverty, trade and vulnerability, trade and GVCs; aid effectiveness, etc.), the theoretical underpinnings of the different positions, and their policy implications.

Tools: to be equipped with the tools necessary to practice as a working economist, especially as they apply to the problems of low-income countries. These tools include an applied understanding of key economic concepts, the ability to work with and interpret economic models.

Data: to be able to collect and interpret data on developing countries. Students should become familiar with the main sources of data, knowing the appropriate source for different information, and be able to retrieve and make sense of these data.

Presentation: to be able to present arguments and information on the topic in both written and verbal form. Students should be able to summarise and present the main points from a mass of data, to highlight and present in a cogent manner the main issues in debates, and to be able to clearly present theoretical models, selecting and applying appropriate theoretical models.

Contents:

The course is articulated in three different modules:

The first module (24h) is devoted to the basic notions of the most important theoretical and technical background about trade policy. It will provide appropriate knowledge on the main concepts, indicators and instruments of trade policy, such as: openness in practice vs openness in policy; aggregation and policy equivalence of measures of trade restrictiveness; relative trade preferences; non-tariff barriers and their measurement issues; trade-related policy issues; trade facilitation; etc..

The second module (24h) introduces the students to the EU trade policy for development, such as: its evolution over time; multilateral negotiations; preferential vs non preferential agreements; regional and intra-regional development agreements; the Economic Partnership Agreements; the Euro-Med free trade area; the European Neighborhood Policy; the Everything but arms initiative, the EU Policy Coherence for Development, etc..

The third module (24h) focuses on some selected challenges for the EU Trade and development agenda, such as the new patterns of vertical integration and global value chains; firms' heterogeneity; the global imbalances and the role of emerging economies; the preference erosion of developing countries; the stalemate of multilateral and bilateral negotiations; climate change, poverty traps and vulnerability to trade openness; trade policy and food and nutrition security; inclusive growth and social innovation, etc..

This final module will be organized by mixing frontal lectures, readings of the original seminal papers; presentations and open debates.

Teaching Materials:

Tools: Lectures; readings; in-class presentations; open discussion.

Reference Books:

- Feenstra R.C., Taylor A.M., International Trade. Third or Fourth Ed., Worth MacMillan.
- Yannick Bineau and Pierluigi Montalbano Selected developmental aspects of international trade and trade policies: a literature review, downloadable open access from here: http://trade.ec.europa.eu/doclib/docs/2012/june/tradoc_149606.pdf

Additional teaching materials: articles, ppt presentations, reports, EC communications, etc will be distributed to the students during classes.

All the material will be posted as open access on the Sapienza web chair system of the MSc Program in Economics for Development: <http://www.coris.uniroma1.it/cattedra/17155>

Assessment:

Students passing successfully receive 3 credit points for each module up to a maximum of 9 credit points according to the ECTS system (European Credit Transfer and Accumulation System).

Master's Dissertations:

To foster additional research on the subject of the EU trade and development agenda, the chair strongly encourages students to carry out Master dissertations on the topic and will provide mentoring and assistance.

Taking advantage of the existing MoU with FAO at least one of the Master dissertation each year will be dedicated to the topic of the relationship between trade and food and nutrition security. Moreover, by taking advantage of the Erasmus+ agreement with the Department of Economics of Sussex University, a fruitful cooperation has been established with the UK Trade Policy Observatory, an independent advisory group established at University of Sussex (UK) that assists the UK Government, industry and public in addressing the critical international trade challenges posed by the country's exit from the European Union: <http://www.sussex.ac.uk/bmec/research/uktpo>.

In this framework the chair will monitor and supervise each year at least one Master dissertation on trade and food security (in cooperation with FAO) and on the consequences of Brexit for EU trade policy and all the related issues for development (in cooperation with UKTPO). Each of these dissertations will benefit for additional mentoring and co-supervision activities by one member of FAO and/or UKTPO. This will enhance the quality of the research thanks to the concrete interaction with scholars actively involved in carrying out policies and related research activities on these topics.