Prof. Dr. Rolf J. Langhammer
Tel. 8814-203

Winter Term 2006/2007

Seminar "International Economic Relations and Development Economics"

Date: 4-5 November, 2006

Location: The Kiel Institute for the World Economy, Düsternbrooker Weg 120,
Lecture Hall (old Building)

I. TRADE

1. Does Trade Liberalization Cause Poverty?

Proposed literature for entry: Winters, L. Allan, Neil McCulloch, and Andrew McKay (2004). Trade Liberalization and Poverty: The Evidence So Far. *Journal of Economic Literature* 42 (1): 72-115.

2. GATS and Water Supply

Kirkpatrick, C. and D. Parker (2005). Domestic Regulation and the WTO: The Case of Water Services in Developing Countries. *World Economy* 28 (10): 1491-1508.

II. EXCHANGE RATE POLICY

3. How Does Inflation Hurt the Poor?

Easterly, William and Stanley Fischer (2001). Inflation and the Poor. *Journal of Money, Credit, and Banking* 33 (2): 160-178.

4. The Balassa-Samuelson Effect in Central and Eastern Europe: Myth or Reality?

Égert, Balázs, Imed Drine, Kirsten Lommatzsch, and Christophe Rault (2003). The Balassa-Samuelson Effect in Central and Eastern Europe: Myth or Reality? *Journal of Comparative Economics* 31 (3): 552-572.

Égert, Balázs, László Halpern, and Ronald MacDonald (2006). Equilibrium Exchange Rates in Transition Economies: Taking Stock of the Issues. *Journal of Economic Surveys* 20 (2): 257-324.

Mihaljek, Dubravko, and Marc Klau (2004). The Balassa-Samuelson Effect in Central Europe: A Disaggregated Analysis. *Comparative Economic Studies* 46 (1): 63-94.

III. FISCAL POLICY

5. How Do Budgetary Procedures Influence Debt Accumulation?

Persson, Torsten and Guido Tabellini (2000). *Political Economics: Explaining Economic Policy*. MIT Press. Cambridge, Mass. Ch. 13 and also Ch. 7.

6. Does Decentralized Fiscal Policy Improve Efficiency?

Besfamille, Martin and Ben Lockwood (2004). Are Hard Budget Constraints for Sub-National Governments Always Efficient? Warwick Economic Research Papers No 717. University of Warwick, UK.

Diamond, Jack (2006). Budget System Reform in Emerging Economies: The Challenges and the Reform Agenda. Occasional Paper No. 245. International Monetary Fund. Washington D.C.

Shah, Anwar (2005). Fiscal Decentralization and Fiscal Performance. World Bank Policy Research Working Paper No. 3786. World Bank. Washington D.C.

IV. POVERTY

7. Is Growth Always Pro-Poor?

World Bank study "Pro-Poor Growth in the 1990s: Lessons and Insights from 14 Countries" (http://siteresources.worldbank.org/INTPGI/Resources/342674-1119450037681/Pro-poor_growth_in_the_1990s.pdf)

Klasen, S. (2003): 'In search of the holy grail. How to achieve pro-poor growth?', in Tungodden, B. and N. Stern (eds), *Towards pro-poor policies. Proceedings from the ABCDE Europe*, Washington D.C.: World Bank.

8. The Global Child Labor Problem: What Can We Do?

Basu, K. and Z. Tzannatos (2003). The Global Child Labor Problem: What Do We Know and What Can We Do? *World Bank Economic Review* 17: 147-173.

9. Conditional Cash Transfer Programs: Do They Work?

Das, J., Q.-T. Do and B. Özler (2005). Reassessing Conditional Cash Transfer Programs. *The World Bank Research Observer* 20: 57-80.

Rawlings, L. and G.M. Rubio (2005). Evaluating the Impact of Conditional Cash Transfer Programs. *The World Bank Research Observer* 20: 29-55.

V. RESOURCE CURSE

10. The Resource Curse: The Development Failure of Resource-Rich Countries

Auty, R.M., ed. (2001). *Resource Abundance and Economic Development*. Oxford University Press.

Lay, J. and T. Omar Mahmoud (2004). Bananas, Oil, and Development: Examining the Resource Curse and Its Transmission Channels by Resource Type. Kiel Working Paper No. 1218.

11. How to Beat the Resource Curse: Are There Lessons to Be Learnt from "Blood Diamonds" and the Kimberley Process?

VI. THE REGIONAL FOCUS: SUB-SAHARAN AFRICA

12. What Are the Effects of Food Aid?

Abdulai, A., C.B. Barrett and J. Hoddinott (2005). Does Food Aid Really Have Disincentive Effects? New Evidence from Sub-Saharan Africa. *World Development* 33 (10): 1689-1704.

13. HIV/AIDS in Sub-Saharan Africa: Causes and Consequences

Gaffeo, E. (2003). The Economics of HIV/AIDS: A Survey. *Development Policy Review* 21 (1): 27-49.

Haacker, M., ed. (2004). *The Macroeconomics of HIV/AIDS*. International Monetary Fund. Washington D.C. (also available online: http://www.imf.org/external/pubs/ft/AIDS/eng/index.htm)

Young, A. (2005). The Gift of the Dying: The Tragedy of AIDS and the Welfare of Future African Generations. *Quarterly Journal of Economics* 120 (2): 423-466.

VII. THE OVERARCHING ISSUE

14. What Matters For Development: Geography Or Institutions?

Acemoglu, D., S. Johnson and J. Robinson (2001). The Colonial Origins of Comparative Development: Empirical Investigation. *American Economic Review* 91: 1369-1401.

Sachs, J.D. (2003). Institutions Don't Rule: Direct Effects of Geography on Per Capita Income. NBER Working Paper No. 9490. National Bureau of Economic Research. Cambridge, Massachusetts.

REMARKS

The seminar will be held in the premises of the Institute for the World Economy, Lecture Hall, old Buildung, Ground Floor on Saturday November 4th and Sunday November 5th 2006.

The paper should be submitted in triplicate accompanied by one page summarizing your key propositions by September 30th 2006. The paper should not exceed 15 pages (à 30 lines, 60 characters each) and be written according to "Hinweise für die Anfertigung wissenschaftlicher Arbeiten der Wirtschafts- und Sozialwissenschaftlichen Fakultät".

Each participant will be requested to present his/her paper and to serve as discussant to one paper of the same block.

To sign up for a topic please hand in the following to Ms. Sabine Hübener (room A-004, phone 8814-204) by June 30th 2006:

(a) transcript of your undergraduate examination results (Vordiplomszeugnis),

(b) a list of graduate courses you attended up to summer term 2006,

(c) a list of your three favorite topics ordered by preference.

Mr. Toman Omar Mahmoud (email: toman.mahmoud@ifw-kiel.de) will be happy to answer any remaining questions concerning the seminar.

Prof. Dr. Rolf J. Langhammer May 2006