



Erasmus Mundus Masters Course



# **Master's Degree in Economics of Globalisation and European Integration**

## **BOOK OF COURSE SYLLABI – semester III**

- Track 1. Economics and Business of Globalisation**
- Track 2. Economic and Financial Issues in the EU**
- Track 3. International Economic Policy**
- Track 4. Globalisation and Emerging Market Economies**



## **Track 1: Economics and Business of Globalisation**

***University of Bari Aldo Moro (Italy)***



# International Development

## Course syllabus

**Course title:** International Development

**ECTS:** 5

**Semester:** 3

**Location:** University of Bari (Italy)

**Compulsory course:** Yes, if the student enrolls in EBG track

**Lecturer & Contact:** prof. Vitorocco Peragine, University of Bari- (with guest lectures prof. Kjetil Bjorvatn and prof. Rune J. Hagen)

**Prerequisites:** none

### Learning outcomes and competences:

#### Organisation / learning methods

Students' independent work is a key and fundamental element of the course. It is fundamental for a successful and proficient learning process and - as such - it will be evaluated and assessed during every meeting. Students are expected to work independently between sessions. This is crucial both in order to better interiorize the notions and experiences acquired during the preceding session (i.e. individual reflection on the results of the class discussion and application of the introduced research methods) and to prepare the informative background necessary to successfully participate to the successive meeting (preparations for the discussions in class).

### Course contents

#### 1. Position

In this course students will explore and engage with the academic debates and discussions around a set of key factors which promote or constrain the prosperity of countries. Students will be introduced to a range of problems in economic development and will analyse economic theory and models that help in explaining the lack of development in some nations. The course will be organized around a number of key themes in international development such as poverty and inequality and development; how key drivers of globalization such as trade, migration and capital mobility impact on development; industrial policy in developing countries; aid, Institutions and development; behavioral approach to economic development.

#### 2. List of topics

1. The theory of economic development: a survey of traditional and new approaches;
2. Poverty and inequality: stylized facts, theory and empirics;
3. International Trade, dynamic specialization and development;
4. Migration and development;
5. International capital flows, financial markets and development;
6. Industrial policy in developing countries;
7. Behavioral approaches to poverty

**Assessment methods:** (suggested options, pls delete what is not needed)

- Active lecture/seminar/workshop/tutorial participation 20%
- Mid-term test 40%
- Final test 40%

**Suggested readings / literature:**

- Articles and book chapters distributed in the class



# International Trade Law

## Course syllabus

**Course title:** International Trade Law

**ECTS:** 4

**Semester:** 3

**Location:** University of Bari Aldo Moro (Italy)

**Compulsory course:** YES

**Lecturers & Contacts:** Prof. Giuseppe Carraro Aveni, University of Bari Aldo Moro. Email: [giuseppe.carraro@uniba.it](mailto:giuseppe.carraro@uniba.it)

### Prerequisites and co-requisites:

none

### Learning outcomes and course contents:

The course aims at offering students a basic knowledge of international trade law, particularly from a European perspective. The main International Treaty governing trade at international level is notoriously the WTO which in 1995 somewhat institutionalized the previous GATT Agreement of 1947.

In this regard, it will be important to understand the objectives of the WTO and its fundamental principles, such as the most-favored-nation treatment clause under Article II of GATT. In a world composed of economic blocs, we wish to make students understand the European way on the subject matter of trade, the choice for a Customs Union and the fundamental principles rules pertaining to the fundamental freedom of goods, which is quite important from the point of view of the relations between Member States of the European Union.

Finally, we will illustrate the content of the 1980 UN Vienna Convention on the sale of goods which has probably become the most important International discipline in private commercial relations, being it invocable as well as referred to almost everywhere.

The course will also focus on an essential presentation of the well-known tools and organisms for resolving disputes between parties in cross-border situations, from the more strictly private ones (such as arbitration and international chambers of commerce committed to that legal purposes) on the one hand to the conventional ones on the other hand such as, for instance, the EU Regulation no. 1215/2012 having an immediate impact on the legal proceedings before the jurisdictions of the Member States.

### Organization:

The course will consists of 10 lectures of 3 hours each. Teaching methods includes the following:

- Ex cathedra teaching
- Student teams presentations;
- Student write and present a report on a topic/subject defined during the first part of the course.

### Assessment methods:



Students will receive 4 ECTS for successful completion of the course. The final grade is a weighted average of:

- a) A final oral exam (60%)
- b) Report + presentation + discussion (40%, peer-assessment)

**Suggested readings / literature:**

- Slides and papers will available through the UBarì online learning platform
- I.KLABBERS, *International Law*, III ed. Cambridge University Press, 2021, Chapter 15, on *Global Economy*, pages 299- 320; Chapter 16, Domestic Courts and their relationship with International Law, pages 323-340;
- P. VAN DEN BOSCHE – D. PREVOST, *Essentials of WTO*, Cambridge, II ed., 2021, Chapter 2, Rules on non-discrimination, 13-47
- Texts: UN Vienna Convention on Contracts for the International Sale of Goods (Vienna, 1980) (CISG); Regulation n. 1215/2012/EU



# Economics of Global Interactions: Theory and Policy

## Course syllabus

**Course title:** Economics of Global Interactions: Theory and Policy

**ECTS:** 5

**Semester:** 3

**Location:** University of Bari (Italy)

**Compulsory course:** Yes, if the student enrolls in EBG track

**Lecturer & Contact:** prof. Nicola D. Coniglio, University of Bari

**Pre-requisites :** none

### Learning outcomes

Upon successful completion of the course, students should be able:

- To evaluate the effects of globalization in both developed and developing countries in a critical way
- To distinguish these effects from local issues
- To analyse policy initiatives regarding the issue (main focus: *trade policy analysis*)

### Organisation / learning methods

The course is taught in three weeks of 12 hours of lecturing each.

### Course contents

#### 1. Position

The course aims at analysing globalization in an economics perspective. It will focus on effects of increasing trade and capital flows on growth, labour markets, taxation and finance.

#### 2. List of topics

##### Week 1 (12h)

- The Stylized Facts of Globalization: Discussion of the main issues concerning globalization and trade.
- Technology Diffusion: How increased technology flows affect growth and is there convergence?
- Effects over Labour: Is inequality an issue?

##### Week 2 (12h)



- Heterodox Approaches: The relationship between growth and globalization in heterodox approaches.
- Exchange Rate Issues: The role of exchange rates in growth models.
- Capital Flows and Fiscal Issues: Capital flows and fiscal issues and growth.

### Week 3 (12h) + Lab with STATA

- Trade Policy Analysis using the gravity model:
  - The Gravity Model of International Trade: Introduction and Theoretical Foundations.
  - Estimating Structural Gravity (partial equilibrium): Analytical tools and applications
  - An introduction to the estimation of structural gravity in general equilibrium

### **Assessment**

- one mid-term exam 30%
- one final exam 70%

### **Suggested reading/literature**

#### **1. The Stylized Facts of Globalization:**

- J. Bhagwati (2007), In Defense of Globalization, Oxford University Press
- D. Rodrik, Has Globalization Gone too Far?, Challenge, Vol. 41, no. 2 (March/April, 1998), pp. 81-94.
- J. Stiglitz (2003), Globalization and its Discontents, W.W. Norton and Company

#### **2. Technology Diffusion:**

- E. Helpman, R&D and Productivity: The International Connection, NBER Working Paper no. 6101 (July 1997)
- Fagerberg, Srholec & Verspagen, Innovation and Economic Development, In: A. Razin & E. Sadka (19919), The Economics of Globalization, Cambridge University Press
- Fagerberg, Technology and International Differences in Growth Rates, Journal of Economic Literature, Vol. 22, no. 3, pp. 1147-75.
- Keller, International Trade, Foreign Direct Investment and Technology Spillovers, In: B. Hall & N. Rosenberg (2010), Handbook of the Economics of Innovation, North Holland
- Feldman & Kogler, Stylized Facts in the Geography of Innovation, In: B. Hall, B. and N. Rosenberg (2010), Handbook of the Economics of Innovation, North Holland
- Asheim & Gertler (2005), The Geography of Innovation: Regional Innovation Systems, In: J. Fagerberg, D. Mowery & R. Nelson (2005), The Oxford Handbook of Innovation, Oxford University Press

### 3. Effects over Labour:

- N. Chau & O. Stark, Human-Capital Formation, Asymmetric Information, and the Dynamics of International Migration, In: A. Razin & E. Sadka, E. (1999), *The Economics of Globalization*, Cambridge University Press
- G. Saint-Paul, Economic Integration, Factor Mobility, and Wage Convergence, In: A. Razin & E. Sadka, E. (1999), *The Economics of Globalization*, Cambridge University Press
- J. Sachs & H. Shatz, US Trade with Developing Countries and Wage Inequalities, *AEA Papers and Proceedings*, Vol. 86, no. 2 (May 1996)
- M. Rama, Globalization and the Labor Market, *The World Bank Research Observer*, Vol. 18, no. 2 (Autumn 2003) pp. 159-186.
- G. Garret, Globalization and Government Spending Around the World, *Studies in Comparative International Development*, Vol 35, no 4 (Winter 2001-), pp. 3-29.

### 4. Heterodox Approaches:

- Bhaduri & S. Marglin, Unemployment and the Real Wage: the Economic Basis for Contesting Political Ideologies, *Cambridge Journal of Economics*, 14, 1990, pp. 375-393.
- Thirwall, The Balance of Payments Constraint as an Explanation of International Growth Rate Differences, *Banco Nazionale del Lavoro Quarterly Review*, 32, 1979.
- Onaran & Galanis, Is Aggregate Demand Wage-Led or Profit-Led? National and Global effects, *International Labor Office*, 2011.
- Williamson & Haddas, Terms of Trade Shock and Economic Performance 1870-1940: Prebisch and Singer Revisited, *NBER Working Paper no. 8188*, 2001
- Thirwall & Hussain, The Balance of Payments Constraint, Capital Flows and Growth Rate Differences between Developing Countries, *Oxford Economic Papers New Series*, Vol. 34, 3, Nov 1982
- H. Hieke, Balance of Payments Constrained Growth: A Reconsideration of the Evidence for the US Economy, *Journal of Post Keynesian Economics*, Vol. 19, no, 3, 1997
- Moreno-Brid & Pérez, Balance of Payments Constrained Growth in Central America: 1950-96, *Journal of Post Keynesian Economics*, Vol. 22, no. 1, 1997, 1999
- J. McCombie, On the Empirics of Balance of Payments Constrained Growth, *Journal of Post Keynesian Economics*, Vol. 19, no, 3, 1997

### 5. Exchange Rate Issues:

- Levy-Yeyati & Sturzenegger, To Float or to Fix: Evidence on the Impact of Exchange Rate Regimes on Growth, *American Economic Review*, 93, 4, 2003
- Krugman, A Model of Balance-of-Payments Crisis, *Journal of Money, Credit and Banking*, Vol 11, no. 3, August, 1979
- Frankel, No single Currency Regime is Right for All Countries or at All Times, *NBER Working Paper no. 7338*, 1999
- W.M. Corden, Booming Sector and Dutch disease Economics: Survey and Consolidation, *Oxford Economic Papers*, 36, 1984.
- Razin & Collins, Real-Exchange Rate Misalignment and Growth, In A. Razin and E. Sadka (1999), *The Economics of Globalization*, Cambridge University Press

### 6. Capital Flows and Fiscal Issues:





- Dharmapala (2008), What Problems and Opportunities are Created by Tax Havens? Available at SSRN (<http://ssrn.com/abstract=1279146> or <http://dx.doi.org/10.2139/ssrn.1279146>)
- Baldwin & Krugman, Agglomeration, Integration and Tax Harmonization, European Economic Review, 48, 2004

#### **7. Trade Policy Analysis using the gravity model:**

- An Advanced Guide to Trade Policy Analysis: The Structural Gravity Model, Yotov, Y. V., R. Piermartini, J. A. Monteiro, and M. Larch co-published by UNCTAD and WTO, 2016.
- Estimating Trade Policy Effects with Structural Gravity, Piermartini, R. and Y. V. Yotov, 2016.



# Economics and Business of Multinational Organisations

## Course syllabus

**Course title:** Economics and Business of Multinational Organisations  
**ECTS:** 6  
**Semester:** 3  
**Location:** University of Bari Aldo Moro (Italy)  
**Compulsory course:** YES  
**Lecturers & Contacts:** Prof. Mario Carrassi, University of Bari Aldo Moro. Email: [mario.carrassi@uniba.it](mailto:mario.carrassi@uniba.it)

### Prerequisites and co-requisites:

The most important macro- and microeconomic principles and international trade: theory and policy.

### Learning outcomes and competences:

- To explain the strategic and organizational challenges involved in managing activities across borders, in an increasingly interconnected world.
- To analyze managerial aspects related to: different cultures, administrative systems, geographic distances, economic structures.
- To be able to understand: why firms operate in international business? How do they do it? What are the international strategies used overseas? How do firms build a global presence by choosing countries, products and modes of entry? How do firms organize themselves for international business? What are the implications of international business on sustainability?

### Organization:

The module of Economics and Business of Multinational Organisations consists of 10 lectures of 3 hours each, 7.5 hours of group assignments and 7.5 hours of assisted self-study.

### Extra information on the teaching methods

- Ex cathedra teaching
- Student teams present a topical academic empirical paper related to the course and act as discussants of two other papers presented by other student teams. Students can contact the instructor on their own initiative for further guidance and/or specific questions.
- Student teams write and present a report on case studies- (MNEs internationalisation strategies). Student teams discuss other teams' work and presentation. Students may contact the lecturer for further guidance in between these dedicated feedback moments.

### Course content:

- The meanings of globalization.



- The imperatives that drive firms to invest abroad.
- The liability of foreignness and the costs of doing business abroad.
- Adaptation vs standardization.
- Market selection and entry modes to build global presence.
- Internalization vs. Sustainability.
- Internationalization choices and firm's performance.
- Case studies (analysis and discussions)

**Assessment methods:**

Students will receive 6 ECTS for successful completion of the course. The final grade is a weighted average of:

- c) A final written exam (45%)
- d) Presentation of a topical academic paper/case studies and discussion of two other papers (20%)
- e) Report on a case studies + presentation + discussion (35%, peer-assessment)

Participation in parts a), b), and c) is mandatory to be able to pass. In case of resit scores of successful subparts can be transferred to the second exam period. Resit for part b) will be based on academic papers different from the first examination period. Resit for part c) involves upgrading the report.

**Suggested readings / literature:**

- Slides and papers will available through the UBari online learning platform
- C. Hill, "Global Business Today", Mc Graw Hill, (latest edition),



**Track 2: Economic and Financial Issues in the EU**

***University of Cantabria (Santander, Spain)***



# EU Commercial LAW

## Course syllabus

**Course title:** EU commercial law

**ECTS:** 5

**Semester:** 3

**Location:** University of Cantabria

**Compulsory course:** Yes

**Lecturer & Contact:** Prof. dr. Yaelle Cacho Sánchez, email: [cachoy@unican.es](mailto:cachoy@unican.es)

### Prerequisites:

No previous conditions are required to attend this course. This course is a basic introduction and does not require specific knowledge of EU law.

### Learning outcomes and competences:

Upon successfully getting over this course, students will be able:

- To explain the main features that define the European Union as an international organization
- To understand the basic concepts and specific characteristics of the EU legal order and EU judicial protection
- To understand the basic principles of the relationship between EU law and the national legal order of the Member States
- To locate and discriminate relevant legal sources and information concerning European Union on websites and databases
- To apply this knowledge to acquire a general overview of different EU law areas

Students will acquire written and oral skills as well as research skills. Students will adopt attitudes of research-based learning.

### Organisation / learning methods

#### Course content:

1. The European Union as an international organization (Treaties. EU Member States. Principles, goals and values of the EU. Institutional system. Legal autonomy)
2. The EU legal personality (EU Competences)
3. EU legal order and its judicial guarantee (Sources of the EU Law. EU Law and national legislation. European Union judicial system)
4. Brief introduction to selected EU law areas (e.g. internal market, Union's external action, discrimination law, competition law, consumer law, environmental law)

#### Assessment methods:



- Assignments/Critical review (40%)
- Final exam (50%)
- class attendance and active participation in classes (10%)

**Suggested readings / literature:**

- HORSPOOL, M.; HUMPHREYS, M.; WELLS-GRECO, M., *European Union Law*, Tenth Edition, Oxford University Press, 2018
- CHALMERS, D.; DAVIES, G.; MONTI, G., *European Union Law, Text and Materials*, 3rd Edition, Cambridge University Press, 2014

Additional articles and readings will be made available during the course.



# GLOBAL FINANCE AND INTERNATIONAL STRATEGY

## [International Banking and Finance]

### Course syllabus

**Course title:** Global Finance and International Strategy [International Banking and Finance]

**ECTS:** 5

**Semester:** 3

**Location:** Universidad de Cantabria (Santander-Spain)

**Compulsory course:** Yes

**Lecturer & Contact:**

Prof dr.. Myriam García Olalla, email: [myriam.garcia@unican.es](mailto:myriam.garcia@unican.es);

Prof dr. José Luis Fernández Sánchez, email: [j Luis.fernandez@unican.es](mailto:j Luis.fernandez@unican.es);

Prof.dr. Elisa Baraibar Diez, email: [elisa.baraibar@unican.es](mailto:elisa.baraibar@unican.es).

**Prerequisites and co-requisites:** Not required

#### Learning outcomes and competences:

The main objective of this course is to provide an overview of global finance and the strategy of international business. Upon completion of the course, students will be able to work with:

- Through geostrategy, assess what is the best option to internationalize
- Knowing strategies and entry decisions in international businesses, as well as the consideration of strategic alliances
- Knowing the implications of financial globalization, as well as the tools available to an international business when investing and choosing the most appropriate financial products and services.

#### Organisation / learning methods

##### Course content:

1. Geostrategy
  - Diamond framework
  - Country risk analysis
2. Strategy of International Businesses
  - Strategy and the firm
  - Entry decisions
  - Entry modes
  - Strategic alliances
  - Culture and international business
3. Banking and Finance
  - Financial management of international companies
  - Portfolio theory and investment analysis
  - International banking products



**Assessment methods:** (suggested options, pls delete what is not needed)

- Assignments: 60%
- Final test: 40%

**Suggested readings / literature:**

- Elton, E.; Gruber, M.; Brown, S. and Goetzman, W. (2013). *Modern portfolio theory and investment analysis*. (9<sup>th</sup> edition)
- Hill C.W.L. (2010). *International Business: Competing in the Global Marketplace* (8<sup>th</sup> edition). McGraw-Hill Education.
- Griffin R.W. and Pustay M.W. (2014). *International Business. A Managerial Perspective* (8<sup>th</sup> edition). Prentice Hall.
- Wall S., Minocha S. and Rees B. (2015). *International Business* (4<sup>th</sup> edition). Pearson Education Limited.
- Solnik, B. (2013). *Global investments*. Pearson





# INTERNATIONAL BUSINESS: A EUROPEAN UNION PERSPECTIVE

## Course syllabus

**Course title:** International Business: a European Union perspective  
**ECTS:** 5  
**Semester:** 3  
**Location:** Universidad de Cantabria (Spain)  
**Compulsory course:** Yes  
**Lecturer & Contact:** Prof .dr. Daniel Díaz-Fuentes, email [diazd@unican.es](mailto:diazd@unican.es)

### Prerequisites:

This class is intended for international master students, business, economic, policy analysis and statistics knowledge are required.

### Learning outcomes and competences: T

This course is unique in analysing International Business (IB) from an European Union perspective, first of all, from IB environmental differences (cultural, political, institutional and regulatory) and economic relations (International Trade and Foreign Direct Investment); which provide the fundamental theoretical, empirical and policy frameworks that Master students need to acquire to successfully analyse IB in a particular context: the EU. The students also applied this knowledge through an exploration of EU MNCs, in particular in utilities. The students apply the concepts learnt in the theory using different methodologies, including critical reading, class-based discussion of texts and data and direct contact with the business community.

### Organisation / learning methods

### Course content:

1. European Union in the Global Economy.
2. IB Environment - Cultural differences.
3. IB Environment – Political and Regulatory differences.
4. Europe and Global Foreign Trade: Patterns
5. Regional and Multilateral Trade: Integration or Disintegration
6. Foreign Direct Investment.
7. IB Frameworks. Innovation and competitiveness.
8. IB strategies of EU Multinational Corporations in the Global Economy. The role of policy
9. The coming of age of utilities multinationals: How do public MNC behave abroad?
10. Emerging Economies' Multinational Corporations in Europe.

### Assessment methods: (suggested options, pls delete what is not needed)

- Problem sets (5): 10%
- In-class quizzes (4): 10%
- Assignments/Critical review: 15%



- Mid-term exam (1): 30%
- Final exam (1): 30%
- Class attendance 5%

### Suggested readings / literature:

- **General Reading**

- Buckley, P. J., Enderwick, P., & Cross, A. R. (Eds.). (2018). *International business*. Oxford University Press.
- Collinson, S., Narula, R., & Rugman, A.M (2017). *International business*. Pearson Education.
- Charles, H. & Hult, G. T. M. (2019). *International business. Competing in the Global Market*. McGraw-Hill, 12 ed..
- Johnson, D., & Turner, C. (2010). *International Business: Themes and issues in the modern global economy*. Routledge.

- **Further reading**

- Alonso, J. M., Clifton, J., Díaz-Fuentes, D., Fernández-Gutiérrez, M., & Revuelta, J. (2013). The race for international markets: were privatized telecommunications incumbents more successful than their public counterparts?. *International Review of Applied Economics*, 27(2), 215-236.
- Clifton, J., Comín, F., & Diaz Fuentes, D. (2006). Privatizing public enterprises in the European Union 1960–2002: ideological, pragmatic, inevitable?. *Journal of European Public Policy*, 13(5), 736-756.
- Clifton, J., Comín, F., Díaz-Fuentes, D., (2007). *Transforming public enterprise in Europe and North America*. Palgrave.
- Clifton, J., & Díaz-Fuentes, D. (2010). Is the European Union ready for foreign direct investment from emerging markets? In *Foreign Direct Investments from Emerging Markets* (pp. 335-358). Palgrave Macmillan, New York.
- Clifton, J., & Díaz-Fuentes, D. (2011). The European Union, southern multinationals and the question of the 'strategic industries'. In *The Emergence of Southern Multinationals* (pp. 226-241). Palgrave Macmillan, London.
- Clifton, J., & Díaz-Fuentes, D. (2018). The state and public corporations. In *Handbook of the International Political Economy of the Corporation*. Edward Elgar Publishing.
- Clifton, J., Díaz-Fuentes, D., & Revuelta, J. (2010). The political economy of telecoms and electricity internationalization in the single market. *Journal of European Public Policy*, 17(7), 988-1006, DOI: 10.1080/13501763.2010.499229
- Clifton, J., Fuentes, D. D., & Warner, M. (2016). The loss of public values when public shareholders go abroad. *Utilities Policy*, 40, 134-143. doi.org/10.1016/j.jup.2015.11.003.
- Krugman, P., Obstfeld, M. & Melitz, M. (2018). *International Economics Theory and Policy* 10e. Pearson.



# EUROPEAN ECONOMIC POLICY

## Course syllabus

**Course title:** European Economic Policy  
**ECTS:** 5  
**Semester:** 3  
**Location:** Universidad de Cantabria (Spain)  
**Compulsory course:** Yes  
**Lecturer & Contact:**  
Prof. dr. Judith Clifton, email [judith.clifton@unican.es](mailto:judith.clifton@unican.es)

### Prerequisites:

This class is intended for international master students. Some knowledge of economic policy is desirable.

### Learning outcomes and competences:

After completing the course, students will have a good grounding in the who, why and how of economic policy in the European Union. Students will be able to identify the main actors and interests behind economic policy, how these have changed over time, the consequences of economic policy in the EU and different ways of appraising the success or otherwise of EU policy.

### Organisation / learning methods

#### Course content:

1. Introduction to EU Economic Policy.
2. The Origins, Evolution and Contemporary State of EU Economic Policy.
3. The Makers of EU Policy: the EU institutions and their roles
4. Evolution of the Treaties
5. The Single Market
6. Competition
7. The Network Industries: Ownership, Liberalization, Deregulation
8. New approaches to evaluating policy. A Citizen Perspective
9. Why insights on satisfaction and behaviour can help policy-makers in the EU.

#### Assessment methods: (suggested options, pls delete what is not needed)

- Problem sets (5): 10%
- In-class quizzes (4): 10%
- Assignments/Critical review: 15%
- Mid-term exam (1): 30%
- Final exam (1): 30%
- Class attendance 5%



**Suggested readings / literature:**

- **General Reading**

- El-Agraa, A. M. (2011) *The European Union: Economics and Policies*. Cambridge University Press.
- Pelkmans, J. (2001) *European Integration. Methods and Economic Analysis*. FT Prentice Hall.

- **Further reading**

- Clifton, J., Comín, F., & Díaz Fuentes, D. (2006). Privatizing public enterprises in the European Union 1960–2002: ideological, pragmatic, inevitable? *Journal of European Public Policy*, 13(5), 736-756.
- Clifton, J., Díaz-Fuentes, D., & Revuelta, J. (2010). The political economy of telecoms and electricity internationalization in the single market. *Journal of European Public Policy*, 17(7), 988-1006, DOI: 10.1080/13501763.2010.499229



## **Track 3: International Economic Policy**

***Tartu University (Estonia)***



# Evaluation of Economic Policies

## Course syllabus

**Course title:** Evaluation of Economic Policies

**ECTS:** 6

**Semester:** 3

**Location:** University of Tartu (Estonia)

**Compulsory course:** Yes, if the student enrolls in IEP track

**Lecturer & Contact:**

Prof. dr. Ricardo Alfredo Mendes Pereira Vicente

### Pre-requisites:

### Learning outcomes

Students learn how to use mathematical, statistical and econometric methods in policy evaluation.

- Students learn (1) the main theoretical underpinnings and (2) the main technical aspects of the following methods: the Rubin model; difference-in-differences methods; coarsened exact matching; propensity score matching; RA, IPW and IPWRA; regression discontinuity design; instrumental variables; synthetic control.
- Students are (3) able to choose the most appropriate from above for a particular dataset and research question.
- Students (4) develop their critical thinking when reading and appraising a research paper.
- Students are (5) able to write a code in Stata in order to (5.1) produce descriptive statistics, (5.2) run an econometric model and (5.3) test hypotheses.
- Students (6) develop their ability to interpret (6.1) statistics, (6.2) output from econometric models and (6.3) the results from hypothesis tests.
- Students (7) connect econometric practice with the social, economic, political and business reality.

### Organisation / learning methods

This course is taught fully in classroom and so will be all the evaluation tasks (mini-tests and exams).

### Course contents

- Introduction: evaluation, counterfactuals, causality; the Rubin model; Stata basics.
- Difference-in-differences methods.



- Coarsened exact matching.
- Propensity score matching.
- Inverse Probability Weighting and Regression Adjustment. Regression Discontinuity Design.
- Instrumental Variables.
- Synthetic control.

### **Assessment methods:**

The evaluation is based on three mini-tests in the classroom; to pass the course, the weighted average of the three mini-tests should be 50% or higher.

### **Suggested readings / literature:**

- Cameron, A. Colin, Trivedi, Pravin K. (2005), *Microeconometrics: Methods and Applications*, Cambridge University Press, chapter 25 + chapters 2 and 2.26.
- Wooldridge, Jeffrey M. (2010). *Econometric Analysis of Cross Section and Panel Data*, 2nd edition, Cambridge, Massachusetts: MIT Press, chapter 21
- Guido W. Imbens and Jeffrey M. Wooldridge (2009), Recent Developments in the Econometrics of Program Evaluation. *Journal of Economic Literature*, 47(1):5-86



# Selected Topics in Macroeconomics

## Course syllabus

**Course title:** Selected Topics in Macroeconomics

**ECTS:** 3

**Semester:** 3

**Location:** University of Tartu (Estonia)

**Compulsory course:** Yes, if the student enrolls in IEP track

**Lecturer & Contact:** Prof. dr. Lenno Uusküla , Prof. dr. Jaan Masso

### Pre-requisites:

The course builds upon the knowledge acquired in the modules of macroeconomics in the first semester of the first master year.

### Learning outcomes

After taking the course the student has acquired the following skills and competencies:

- understands the role of international risk sharing and intertemporal trade in open economy macroeconomics;
- can analyse the drivers of sovereign debt and bankruptcy;
- understands the basic concepts of Dynamic Stochastic General Equilibrium (DSGE) models;
- can use simple DSGE models in the analysis of the economy;
- can read critically contemporary academic papers in macroeconomics.

### Organisation / learning methods

This course is taught fully in classroom and so will be all the evaluation tasks (mini-tests and exams).

### Course contents

The purpose is to provide students with selected state of the art macroeconomic tools that help to understand the economy. The course consists of two blocks. The first part introduces important theoretical concepts in international macroeconomics - international risk sharing and intertemporal consumption substitution. These concepts are used to understand current account dynamics and to discuss which are causing the observed deficits and surpluses. The concepts are also used to understand why countries borrow, how much they can borrow, what are the incentives for paying back the loans and when countries go or decide to go bankrupt. The second part of the course gives the basics for understanding and working with Dynamic Stochastic General Equilibrium (DSGE) models that belong to the standard toolkit in macroeconomics.

The course provides tools for solving models with pen and paper and on computer using software package and programming language Matlab. These models are then used to answer questions such as how to eat





cakes, harvest trees, smooth consumption over time, and how do technology, preference and government spending shocks affect the economy.

Students are expected to read academic papers and write referee reports, solve exercises with pen and paper and on computer, and discuss issues in the economy using models studied during the course.

**Assessment methods:**

The assessment is based on 6 written assignments, a course project and an exam.

**Suggested readings / literature:**

- Adda, J. and Cooper, R, (2003): Dynamic Economics, MIT press
- Obstfeld, Maurice & Kenneth Rogoff (1998): Foundations of International Macroeconomics, MIT Press, chapters 1, 5 and 6. <https://mitpress.mit.edu/books/foundations-international-macroeconomics>.



# Trade Policy Analysis

## Course syllabus

**Course title:** Trade Policy Analysis

**ECTS:** 5

**Semester:** 3

**Location:** Tartu University (Estonia)

**Compulsory course:** YES

**Lecturers & Contacts:**

- **Prof. Nicola Daniele Coniglio**, University of Bari Aldo Moro. Email: [nicoladaniele.coniglio@uniba.it](mailto:nicoladaniele.coniglio@uniba.it)
- **Prof. Davide Vurchio**, University of Bari Aldo Moro. Email: [davide.vurchio@uniba.it](mailto:davide.vurchio@uniba.it)

**Prerequisites and co-requisites:**

Applied econometrics I and II, International Trade: Theory and Policy

**Learning outcomes and competences:**

The course – building on the theoretical insights gained in international trade and skills developed in applied econometrics - aims at developing the empirical skills required for the quantification of trade flows and for trade policies impact evaluation. The course is centered on structural gravity models. These models are useful for understanding the determinants and patterns of trade as well as for assessing the effects of trade policies, such as the signing of Preferential Trade Agreements (PTAs) or WTO accession. The student will acquire the ability to use the structural gravity model in partial and general equilibrium settings in order to estimate and predict the effects of trade and trade-related policies on trade flows, on welfare, and on the distribution of income. The acquired empirical tools can be used also for similar analysis related to migration flows or FDI.

**Organization:**

The course will be organized in three main blocks or modules.

**Block I: Lectures**

Topic 1: Measuring and quantifying trade flows and trade policies: intro (2h)

Topic 2: The Gravity Model of International Trade: Introduction and Theoretical Foundations. (3h)

Topic 3: Estimating Structural Gravity (partial equilibrium): Analytical tools and applications (6h)

Topic 4: General Equilibrium Analysis with the Gravity Model. Theory, Tools and Applications (6h)

Topic 5: Other applications of gravity models: FDI, Migration (2h)

**Block II: Lab**



In this second part of the course we will have hands-on sessions where students will apply the tools acquired in Block I using STATA. Students will have two main types of assignments: i) replication of published papers using gravity models; ii) research project. The research projects will be presented at the end of the course.

#### Extra information on the teaching methods

- Ex cathedra teaching
- Student teams present a topical academic empirical paper related to the course and act as discussants of two other papers presented by other student teams. Students can contact the instructor on their own initiative for further guidance and/or specific questions.
- Student teams write and present a report on a case study assigned by the instructors. Student teams discuss other teams' work and presentation. Students may contact the lecturer for further guidance in between these dedicated feedback moments.

#### Course content:

- Analysing trade flows: aims and analytical tools
- Quantifying trade policy
- Analysing bilateral trade using the gravity equation
- From theory to empirics: the structural gravity
- Partial equilibrium trade policy analysis with structural gravity
- General equilibrium trade policy analysis with structural gravity

#### Assessment methods:

Students will receive 5 ECTS for successful completion of the course. The final grade is a weighted average of:

- f) A final written exam (45%)
- g) Presentation of a topical academic paper and discussion of two other papers (20%)
- h) Report + presentation + discussion (35%, peer-assessment)

Participation in parts a), b), and c) is mandatory to be able to pass. In case of resit scores of successful subparts can be transferred to the second exam period. Resit for part b) will be based on academic papers different from the first examination period. Resit for part c) involves upgrading the report.

#### Suggested readings / literature:

- Slides and papers will available through the UBari online learning platform

#### Required Readings

- "An Advanced Guide to Trade Policy Analysis: The Structural Gravity Model" Yotov, Y. V., R. Piermartini, J. A. Monteiro, and M. Larch co-published by UNCTAD and WTO, 2016.
- "Estimating Trade Policy Effects with Structural Gravity" Piermartini, R. and Y. V. Yotov, 2016.
- "The Log of Gravity" Santos Silva, J.M.C. and S. Tenreyro, 2006. *Review of Economics and Statistics*, 88(4): 641–658.
- "Practical Guide to Trade Policy Analysis" World Trade Organization and United Nations Conference on Trade and Development, 2012.

#### Other Recommended Readings:

- "Gravity with Gravitas: A Solution to the Border Puzzle" Anderson, J. E., and E. van Wincoop. 2003. *American Economic Review*, 93(1): 170–192.
- "Estimating General Equilibrium Trade Policy Effects: GE PPML" Anderson, J. E., M. Larch, and Y. V. Yotov, 2015. CESifo Working Paper Series 5446.



- "The Changing Incidence of Geography" Anderson, J. E. and Y. V. Yotov, 2010. *American Economic Review*, vol. 100(5), pages 2157-86.
- "Technology, Geography, and Trade" Eaton, J. and S. Kortum, 2002. *Econometrica*, vol. 70(5), pages 1741-1779.
- "The Gravity Model" Anderson, J.E. 2011. *Annual Review of Economics*, 3:133-60.
- "Gravity for Dummies and Dummies for Gravity Equations" Baldwin, R. and D. Taglioni, 2006. NBER Working Papers 12516.
- "Trade Theory with Numbers: Quantifying the Consequences of Globalization" Costinot, A., and A. Rodríguez-Clare, 2014. in the *Handbook of International Economics Vol. 4*, eds. G. Gopinath, E. Helpman, and K. Rogoff.



# **International Management**

**Course syllabus (sent on a separate file)**



## **Track 4: Globalisation and Emerging Markets Economies**

***Universidad Técnica Federico Santa María, Valparaíso (Chile).***



# International Trade Agreements

## Course syllabus

**Course title:** International Trade Agreements

**ECTS:**

**Semester:** 3

**Location:** Universidad Técnica Federico Santa María, Valparaíso.

**Compulsory course:** Yes, if the student enrolls in GEME track

**Lecturer:** TBD

**Contact:** Dr. Walter Fraser, [walter.fraser@usm.cl](mailto:walter.fraser@usm.cl)

### Pre-requisites

Students are supposed to have knowledge of basic macroeconomics and introductory econometrics:

- Basic microeconomics
- Basic macroeconomic concepts
- IS-LM model, Tobin model, rational expectation model.
- Gains from trade & trade policy (basic concepts/models)

### Learning outcomes

The students learn about the conceptual foundations and historical developments of trade agreements, and develop its own critical assessment in the light of globalization, labor unions, political economy and the protection of the environment.

### Organisation / learning methods

All classes are devoted to presenting the material and then organizing a debate. At the end of the course each student has to present his own assessment of the future of trade agreements in some particular area of the world.

### Course contents

- **Introduction**
  - Basic microeconomic models
  - Basic macroeconomic models
  - Basic macroeconomic variables (GDP, price index, trade balance)
- **Trade agreements**
  - Preferential Trade Agreements: Bilateral and Plurilateral Treaties. Unilateral tariff reductions (Chile, China)
  - Multilateral and regional agreements



- Custom Unions
  - Integration and Trade
  - Free Trade Areas
  - Monetary Unions
- **Trade agreements and challenges**
    - Irwin, Douglas. *Free Trade Under Fire*. Princeton University Press, 2015: Chapters 5–6.
    - Deardorff, Alan, and Robert Stern. "What the Public Should Know About Globalization and the World Trade Organization." DP No. 460, July 2000. (Part III).
    - Feenstra, Robert C. "How Costly is Protectionism?" *The Journal of Economic Perspectives* 6, no. 3 (1992): 159–78.
    - Baldwin, Robert E. "The Political Economy of Trade Policy." *The Journal of Economic Perspectives* 3, no. 4 (1989): 119–35.
    - Krugman, Paul R. "Is Free Trade Passé?" *The Journal of Economic Perspectives* 1, no. 2 (1987): 131–44.
  - **Trade agreements and challenges for developing countries**
    - International trade conditions: challenges for less developed countries. Giovanni E. Reyes. *tendencias*, Vol. XIII. No. 1, 1er. Semestre 2012, páginas 207-220.
    - Isabella Massa. *Christofer Stevens. Addressing Developing Countries' Challenges in Free Trade Implementation*. 2017.
  - **History of trade agreements**
    - Bretton Woods Agreement
    - The General Agreement on Tariffs and Trade (GATT)
    - The World Trade Organization (WTO)
    - The European Economic Community (EC)
    - North American Free Trade Agreement (NAFTA)
    - Southern Common Market (Mercosur)
    - Dingemans, Alfonso. Ross, César. *Free trade agreements in Latin America since 1990: an evaluation of export diversification*. 2012-12 Serie:CEPAL p. 27-48.

## Assessment

- First test: theoretical analysis
- Second test: trade policy.
- Third test: Trade agreements in Latin-America.

Final paper is due at the end of the course and must be presented in front of the class briefly. Each test weights 20% and the final student paper weights 40%.

## Suggested readings / literature:

- Papers distributed by the instructors;
- Krugman, Paul, Maurice Obstfeld, and Marc Melitz. *International Economics: Theory and Policy*. 9th ed. Addison-Wesley, 2011.





# International Finance

## Course syllabus

**Course title:** International Finance

**ECTS:** 5

**Semester:** 3

**Location:** Universidad Técnica Federico Santa María, Valparaíso.

**Compulsory course:** Yes, if the student enrolls in GEME track

**Lecturer:** TBD

**Contact:** Dr. Walter Fraser, [walter.fraser@usm.cl](mailto:walter.fraser@usm.cl)

### Pre-requisites

Students should have knowledge of basic macroeconomics and insights about the functioning of financial markets.

### Learning outcomes and competences

Upon successful completion of this course, students should be able to:

- Understand the functioning of international financial markets and to know how international transactions affect the economy, firms and the strategy of a firm;
- Develop critical thinking about balance of payments crisis and international investment strategies;
- Perform risk analysis.

### Organisation/ learning methods

- **Lectures.** The course is divided in three parts. The first part includes a revision of national income accounts, balance of payments, money and monetary policy. In the second part there will be a discussion about different exchange rate regimes and about different approaches to estimate nominal exchange rates. The third part introduces a discussion about arbitrage and the forward exchange market.
- Two **seminars** with Central Bank economists.

### Course Contents

International Finance is the subject area that combines macroeconomics, corporate finance and international economics. It comprises the study of international monetary flows and their effect over the local macroeconomy and firms. The main topics covered in this course are:

- Basic Macroeconomic Concepts and International Economics
- Money and Monetary Policy
- Economic Cycles and the Yield Curve
- Exchange Rates Regimes.
- Purchasing Power Parity Model
- Overshooting Models
- Elasticity and Absorption Balance of Payment Approaches
- The International Monetary System



## Assessment

- Theoretical Analysis Test, worth 40%.
- Final Paper, worth 60%. Examples of subject topics are: Experiences with Current Account Deficits; Current Account and External Financing; Crises in Emerging Market Economies.

## Suggested readings/ literature:

- Levi, Maurice. International Finance. McGraw Hill, Fifth Edition, 2009..
- Kozikowski, Zbigniew. International Finance. McGraw Hill. 2016.
- Rosemberg, Michael. Currency Forecasting: a guide to fundamental and technical models of Exchange rate determination. McGraw Hill. 1995.



# Projections of Macroeconomic Variables

## Course syllabus

**Course title:** Projections of Macroeconomic Variables

**ECTS:** 5

**Semester:** 3

**Location:** Universidad Técnica Federico Santa María (Chile)

**Compulsory course:** YES – Track GEME - Globalisation and Emerging Market Economies

**Lecturer & Contact:** Marcelo J. Villena, PhD

[marcelo.villena@usm.cl](mailto:marcelo.villena@usm.cl)

**Prerequisites:** Applied Econometrics I and II

### Learning outcomes and competences:

The general objective of the course is that students acquire the knowledge and practice necessary to develop statistical and econometric models of time series in order to predict the macroeconomy. Specifically, students are expected to learn how to:

- Work with a large amount of data, with statistical (R) and/or econometric (STATA) softwares.
- Formulate hypotheses and develop applied models that allow transforming data into information.
- Apply the theory and estimation methods most widely used in the projection of macroeconomic variables.
- Evaluate and select the best models according to criteria commonly used in the literature.
- Perform empirical work autonomously and with scientific rigor.

In summary, we expect students to learn to add value from the available data and the use of econometric techniques in the analysis of real macroeconomic forecasting problems.

### Organisation / learning methods

*The methodology of the course is focused on learning by doing, so the individual work of each student is key (a study load of at least 3 hours per week is assumed), and each student is required to read the required material before each class. The course requires basic knowledge of linear algebra, statistics and programming.*

There will be expository classes where the professor will present the main topics of the syllabus. Along with this, notes and complementary articles will be handed out, which will allow the students to deepen the concepts presented in class. In addition, in each class a practical example will be developed with the statistical software R and/or the econometric software STATA.

Students will be expected to perform various practical assignments in the form of estimation of specific econometric tests and models. Each of these assignments will be subsequently reviewed and discussed in class. The emphasis of the assignments will be on adding value through the available data and the use of econometric techniques.



## Course contents

1. Fundamentals of Macroeconometrics
2. On Forecast Evaluation
3. Univariate Time Series Models
4. Vector Autoregressive Models
5. Modelling long-run relationships
6. On Volatility Forecasting
7. Bayesian methods for the macroeconomy
8. Macroeconomic predictions in the context of Machine learning and big data

## Assessment methods:

The course will be evaluated through three instruments: i) homework, ii) a final paper, iii) two written exams. The Final Paper will be due one week after the exam, and will consist of developing an econometric paper, aimed at testing some value hypothesis or calibrating some theoretical model known in the field of macroeconomics. In the practical work, the students' ability to innovate, either through the testing of hypotheses, or the ability to incorporate new tests and/or relevant techniques, or through the use of new data, will be especially rewarded. The review of academic papers will be a necessary point in the development of the work. It is expected (recommended) that the assignments developed will serve as inspiration for the paper. The final grade for the course will be calculated:

- Mid-term test 20%
- Final test 25%
- Task 20%
- Term Paper 35%

## Suggested readings / literature:

- **Mostly articles distributed in the class**

### *Classical books and references*

- Hamilton, J. D. (1994), Time series analysis, Princeton University Press, Princeton, N.J.
- Greene, W. H. (2007), Econometric Analysis, 6 edn, Prentice Hall.
- Tsay, R. (2002), Analysis of Financial Time Series, Wiley, New York.
- Stock, James H., and Mark W. Watson. "Introduction to econometrics 3rd ed." (2015).
- Brooks, C. (2002), Introductory Econometrics for Finance, Cambridge.



- Campbell, J. Y., Lo, A. W. and MacKinlay, A. C. (1997), *The Econometrics of Financial Markets*, Princeton University Press, Princeton.

### ***Time series forecasting with R***

- Shmueli, Galit, and Kenneth C. Lichtendahl Jr. *Practical time series forecasting with R: A hands-on guide*. Axelrod Schnall Publishers, 2016.
- Cowpertwait, Paul SP, and Andrew V. Metcalfe. *Introductory time series with R*. Springer Science & Business Media, 2009.



# Business Oriented Microeconometrics

## Course syllabus

**Course title:** Business Oriented Microeconometrics

**ECTS:** 5

**Semester:** 3

**Location:** Universidad Técnica Federico Santa María (Chile)

**Compulsory course:** YES – Track GEME - Globalisation and Emerging Market Economies

**Lecturer & Contact:** Dr. Juan Tapia

[Juan.tapia@usm.cl](mailto:Juan.tapia@usm.cl)

### Prerequisites and co-requisites:

Advanced Microeconomics. Applied Econometrics I and II

### Learning outcomes and competences:

Students learn to use a variety of microeconometrics tools useful to confront a diversity of economic problems, mainly business problems. Besides theoretical knowledge and real life applications, the developing of the course implies the use of the statistical package STATA with the aim to provide them with a relevant expertness.

### Course content:

#### Introduction

- Recap of basic econometrics,
- Recap of Microeconomic
- Business Oriented Microeconometric

#### Causal and non causal models

- Structural Models
- Exogeneity
- Lineal Simultaneous Equation Models
- Identification concepts
- Causal Modeling and Estimation Strategy
- Application to business and public policy
- Analysis with STATA

#### Core Methods

- Review to Linear Model
- Review to Instrumental Variable
- Instrumental Variable in practice.
- Overview to No-Linear Estimators
- Application to business and public policy
- Analysis with STATA

#### Simulation-Based Methods and Clustering

- Bootstrap Method



- Overview of other Simulation-Based Methods.
- Clustering
- Application to business and public policy
- Analysis with STATA

**Assessment methods:**

First test: theoretical analysis. Second test: Solving a practical case at STATA. Exam: final paper. Each test weights 30% and the final student paper weights 40%.

**Suggested readings / literature:**

1. Cameron, A. C., & Trivedi, P. K. (2005). *Microeconometrics: methods and applications*. Cambridge university press.
2. Cameron, A. C., & Trivedi, P. K. (2010). *Microeconometrics using stata* (Vol. 2). College Station, TX: Stata press.