New members for the Vi

Three new universities joined the Virtual Institute this quarter, increasing the membership to 48 universities worldwide. The latest members bring expertise in international law, among other topics, and include Swiss, Mexican and Colombian institutions.

The World Trade Institute (WTI) of the University of Bern, Vi's 30th core member, is a centre of advanced studies and interdisciplinary research in international trade law, economics and international relations. WTI joins universities from Canada, France, Germany, Italy and Spain as the sixth member from a developed country.

WTI's flagship academic programme is the Masters of International Law and Economics (MILE). As part of its contribution to the network, the Institute offers Vi members a 25 percent discount on MILE à la carte, selected weekly course modules within the MILE Programme.

The second new member, the Instituto Tecnológico Autónomo de México (ITAM), the seventh core university from Latin America, was founded in 1946, and offers Masters degrees in Economics, Economic Theory and Public Policy, as well as a PhD in Economics through its Faculty of Economics, Law and Social Sciences.

Bradley Condon, director of the faculty's Centre for International Economic Law (CDEI), has been appointed Vi member coordinator for ITAM. He has a PhD in International Economic Law and a wide record of publications on World Trade Organization (WTO) and North American Free Trade Agreement (NAFTA) law, with a focus on environmental issues, insurance regulation, migration, intellectual Property Rights and health, dispute settlement and cross-border capital movements. He also teaches courses on WTO and NAFTA law, and on NAFTA, WTO and Global Business Strategy. Condon has already contributed to the work of the network by peer reviewing one of the papers under the joint research project on regional integration and cooperation in Latin America.

Finally, a 12th Colombian university, the Universidad de los Andes in Bogotá, in June became the 18th affiliate university member of the Vi network.

The university works in the area of law, and delivers a range of undergraduate courses, both mandatory (International Economic Law, Public International Law) and optional (Internet and Communications, Law of Multinational Corporations, International Business Law), as well as a post-graduate course on Foreign Investment. The principal current research area is Internet-related law, electronic commerce, telecommunications and informatics, where the University has produced a number of original publications.

René Urueña has been appointed as Vi coordinator at the Universidad de los Andes. His areas of interest, both in teaching and research, are international trade law and international public law. His colleague, Santiago Wills, will also be participating in Vi activities.
Fourth Vi meeting showcases members' research
This year's meeting of the UNCTAD Virtual Institute network celebrated the first five years of the programme, and was the biggest ever, as seven new core members have joined the network since the last meeting in April, 2008. Affiliate membership has also expanded from 12 members to 17, with new universities joining from Brazil, Russia, Argentina and South Africa. The meeting itself was attended by 32 university representatives, which included 11 self-funded participants.

In response to members’ evaluations and requests from previous years, the focus of this year’s meeting was on research. Two formal sessions were devoted to joint research activities which have been funded, or partly funded, by the Vi and the government of Spain.

The meeting also provided an opportunity to present the preliminary findings of the independent evaluation of the UN Development Account Project, the primary source of funding for the Vi’s activities from 2006 to 2009. The Vi also shared the results of its survey of Vi members which attempts to measure, in both quantitative and qualitative terms, the impact of the Vi on university members' teaching and research.

In addition, the director of UNCTAD’s Division on Globalization and Development Strategies, Heiner Flassbeck, gave a keynote speech on the global economic crisis and its implications for developing countries.

In order to enhance members’ familiarity with the Vi website and increase the use of web resources, a morning was set aside for hands-on training on two important aspects of the site: its knowledge resources, such as articles and training materials; and its networking potential, such as uploading professional information and contact details.

Finally, the meeting provided an opportunity for the Vi to launch its new brochure and short film, which aim to raise awareness of Vi’s activities, as the programme seeks future funding.

West Indies and Russian universities complete annual study tours
The Virtual Institute organized two study tours involving seven international organizations, for 60 students and professors this spring.

The first study tour, the second for Vi Russian member universities, brought 38 students to Geneva March 23-27. The programme included discussions on dispute settlement mechanisms, intellectual property rights and Russia’s accession to the World Trade Organization (WTO). Sessions were led by experts at UNCTAD, WTO, the International Trade Centre (ITC) and the World Intellectual Property Organization (WIPO).

Participating universities this year were Vi core member, Moscow Higher School of Economics (HSE), and Vi affiliates Moscow State Institute of International Relations (MGIMO) and St. Petersburg State University. A student from Pleckhanov Academy of National Economy also attended the tour.

The second study tour, held May 11-22, counted with the participation of 22 students and lecturers from the Master's Programme in International Trade Policy of the University of the West Indies' Shridath Ramphal Centre.

According to the university, the activity, now in its fifth year, "is an integral part of the programme, which provides students with an unparalleled opportunity to see trade in action. Students have access to meetings at the WTO and UNCTAD, and attend lectures at various international organizations in Geneva. In addition, students are also afforded the opportunity to interface with Ambassadors representing the regions' trade policy."
This year's programme included the effect of the global economic crisis on developing countries; the ongoing WTO negotiations on agriculture; UNCTAD's work on competition law within the Caribbean; the current challenges in the WTO's Doha Development Round; the state of play of the WTO services negotiations; the work of the International Trade Centre (ITC) and its databases on trade and investment; the World Health Organization (WHO) and its work on global health security; corporate social responsibility; and UNCTAD's work on transport and trade facilitation.

**Vi members finalize joint projects**

Two joint research projects have been conducted by Vi members in Colombia, Jordan, Egypt and Vietnam. In addition, two Latin American research projects on regional trade agreements (RTA) and corporate social responsibility (CSR) funded by the government of Spain, have submitted the first drafts of the 12 papers involved.

The first joint research project, a comparative study on the impact of qualified industrial zones (QIZ) in Egypt and Jordan analyzes the economic political and social implications of QI\-Z. QIZ were introduced to allow certain products from Jordan and Egypt, containing a certain percentage of inputs sourced in Israel, duty-free entry into the United States. The objective of the initiative was to promote peace in the region through economic development and integration.

Among the findings, the study reveals that although Egypt seems better suited to reap the benefits of foreign garment manufacturers due to the existence of more experienced, larger and more diversified Egyptian textile and clothing industry compared to Jordan, political vulnerability of QIZ is higher in the case of Egypt because Jordan has a Free Trade Agreement (FTA) with the US. In addition, having started QIZ much earlier helped Jordan achieve larger size of exports over time compared to Egypt.

The second joint project looks at the coffee industry in Colombia and Vietnam and identifies links and dynamics in the value chain in Colombia and Vietnam that have been developed in the coffee industry in order to improve competitiveness, increase sustainability and respond to market demands.

The conclusions of the study find that although Colombia has significant advantages, such as a federation of producers and a national coffee research center, along with better ecological and labour conditions, Colombia cannot compete with Vietnam in terms of production costs. Labour costs in Vietnam are much lower, and due to a strategic geographical situation to access the Asian and Australian markets, transportation costs from Vietnam are also significantly lower.

The RTA and CSR Latin American projects, to be finalized by late August, will be followed by two regional workshops designed to disseminate and discuss the results of the research papers. **Materials from these projects will be available on the website soon.**

**Mauritian member holds workshop on successful exports**

The University of Mauritius (UoM) in collaboration with the UNCTAD Virtual Institute, held a workshop April 21-22 with the goal of fostering better understanding of the nature of international trade and instruments, including policies related to trade.

Participants were selected from a pool of trade and economic analysts, university lecturers, members of chambers of commerce, researchers, exporters, staff of export associations and Masters level students from Mauritius and the English-speaking African countries.

The Policies and Instruments for Successful Exports workshop, conducted in partnership with the World Bank, the African Development Bank and the International Trade Centre, featured presentations by international experts on: trade flows and finance; Economic Partnership Agreements (EPAs); WTO negotiations;
dispute settlement mechanisms; regional organizations; transport facilitation and logistics; market analysis; and intellectual property rights.

UNCTAD experts included Norbert Lebalé, of the Division for Africa, Least Developed Countries and Special Programmes, Jan Hoffman and Vincent Valentine of the Division of Technology and Logistics, and Kiyoshi Adachi of the Division on Investment, Technology and Enterprise Development.

**Trade data analysis focus of Senegal workshop**
Thirty-five students, lecturers/researchers and officials of the trade and financial sectors examined quantitative research methods and tools during a workshop organized by the Virtual Institute for Senegalese Vi member, Cheikh Anta Diop University. The workshop was held April 14-17 in the Faculté des Sciences Economiques et de Gestion (FASEG) of the university.

Under the direction of Marco Fugazza, of UNCTAD's Division on International Trade in Goods and Services and Commodities, the four-day workshop consisted of eight sessions dealing with trade data analysis tools and research issues, such as the link between trade and poverty, trade protection and tariffs, regional trade agreements and multilateral negotiations.

**Vi partner ITC trains trainers in market analysis in Uganda**
Virtual Institute partner, the International Trade Centre (ITC), plans to follow-up national capacity building efforts which began with a workshop on ITC's market analysis tools in Kampala earlier this year.

In partnership with Vi university member, Makerere University Business School (MUBS), ITC Market Analyst, Eric Buchot, trained academics, trade professionals and policymakers on the use of Trade Map and Market Access Map, two of the organization's market analysis tools, with the goal of enabling the participants to become national trainers themselves.

Buchot also discussed the possibility of integrating their use in MUBS's teaching and research activities, and plans to conduct a second course, focusing on Investment Map, possibly in late August.

**Video-conference on e-commerce with Russian affiliate member**
A videoconference organized for Vi affiliate member, the Moscow State Institute of International Relations (MGIMO), brought together 30 students and UNCTAD expert, Scarlet Fondeur Gil, to discuss findings of the latest UNCTAD Information Economy Report (IER).

The presentation drew on the Science and Technology Branch's analytical work and highlighted the country's effective use of information and communication technologies (ICT), including the Internet, in business applications, while recommending that government invest in infrastructure and raising the awareness of ICT users, and improve legal frameworks to boost Russian e-commerce to the levels seen recently in Brazil, another "BRIC" (Brazil, Russia, India, China) country.

A second videoconference, based on results of the upcoming IER, is tentatively planned for the fall semester.

**Vi multimedia resource featured in Belarus classroom**
Oksana Shkutsko, Belarus State Economic University, organized a seminar around the Vi video presentation, "Understanding the global economic crisis," by Heiner Flassbeck, Director of UNCTAD's Division on Globalization and Development Strategies.
According to the students, the presentation "caused a huge debate in our group."

"Hot argument flared up during the discussion of importance of external national debt in modern world economy and its role in overcoming global economic crisis," remarked another student. "It is known that economies of developed countries have large volumes of borrowed assets. This topic has been widely discussed in Belarus recently: the volumes of borrowed assets increase every year. On one hand, external debt is a threat to our economic security, but on the other hand, many developed countries provide stable growth of national economies and growth of well-being of the people due to external borrowing. This antinomy makes Belarus to choose: to borrow assets or not."

This is the second seminar of this type organized by Shkutsko for students in her World Economy course.

Vi study tour participants create innovative UNCTAD Model activity

Students at Russian Vi member university, Moscow State Institute of International Relations (MGIMO), took on the role of UNCTAD member countries to debate two issues of the UNCTAD XII Agenda in an innovative simulation exercise based on the Model United Nations.

“The inspiration for the idea of organizing a Model UNCTAD came to mind when MGIMO became a member of the UNCTAD Virtual Institute network, and the first group of students participated in a study tour of Geneva-based international organizations in April, 2008,” writes MGIMO professor, Tatiana Isachenko.

“The latest Vi study tour, organized in March 2009, provided valuable assistance and made significant contributions to the students’ practical experience. Additional documents provided by Vi staff also proved to be extremely useful for better understanding of the problems to be discussed,” she added.

Vi Spanish member awards scholarships

For the second year in a row, the University of Barcelona (UB) has granted scholarships to Vi members wishing to participate in its Master of Laws in International Economic Law and Policy (IELPO).

Although originally planning for three scholarships, the university has generously chosen six candidates proposed by Vi member universities to receive the grants funded by the Patronat Catalunya Món, an agency of the Government of the Generalitat de Catalunya, as well as a contribution from the Vi.

Selected participants are: Ihar Pilipenka from Belarus; Fernanda Garza from Mexico; Alexandra Cherepanova from Russia; Santiago Wills from Colombia; Pamela Tusingwire from Uganda; and Gabriel Andrés González Florín from Chile.

In addition to the IELPO scholarships, UB has also arranged to waive tuition fees for a 10-week distance learning course on policies for the promotion of economic activity delivered in partnership with the Centro de Educación a Distancia para el Desarrollo Económico y Tecnológico (CEDDET).

Seven lecturers from Vi member universities benefitted from this opportunity: Dorotea López and Felipe Muñoz of the University of Chile; Daniela Alfaro of Universidad de la República in Uruguay; Angela Julieta Mora of Fundación Universitaria Politécnico Grancolombiano in Colombia; Silvia Rozas of Universidad del Norte in Colombia; Gladys Gonzalez and Martha Lucia Morales of the Universidad Jorge Tadeo Lozano in Colombia.
**UPCOMING EVENTS**

**Upcoming Ugandan workshop: The Empirics of Trade**

The Vi is organizing a workshop for 18 participants from Makerere University Business School 29 June to 3 July in Kampala. The workshop, dedicated to the empirics of trade as dealt with by international organizations, will introduce a gravity model approach to the determinants of bilateral commerce. It will also look at trade policy and the interaction between regional and multilateral trade agreements.

UNCTAD expert, Marco Fugazza, will lead the one-week workshop, which will also include an introduction to STATA econometric software and datasets relevant for the empirical assessment of issues related to trade and its determinants.

**Vi Colombian member to host UNCTAD regional course**

The 17th regional Course on Key Issues on the International Economic Agenda will be held from 24 August to 11 September at Vi Colombian member, EAFIT University, in Medellin. The course will be delivered by UNCTAD experts, in cooperation with the United Nations Economic Commission for Latin America and the Caribbean, national experts from Colombia and UNCTAD Vi members at the university.

Participants from the Latin America and Caribbean region will examine five major themes in trade and development: trade, financial flows and macroeconomic policies, investment and enterprise development, the knowledge economy, international transport and trade facilitation, and the multilateral trading system and regional trade agreements.

**TEACHING RESOURCES**

**New localizations now online**

The Regional Trade Agreements (RTA) localizations of Uganda and Russia - St Petersburg have recently been put on the Vi website.

The St Petersburg localization consists of three individual case studies: 1) Commonwealth of Independent States; 2) Eurasian Economic Community; and 3) Union State Russia - Belarus. The focus of the CIS case-study is on regional trade integration and CIS as a trading bloc. It contains an analysis of the CIS countries’ trade potential and its realization in a comparative perspective, as well as examination of the nature of the existing CIS intra-trade bloc. The Eurasian Economic Community analyzes the main characteristics, problems and prospects of this regional integration initiative and to assess progress made in reaching its goals. The third case study looks at relationships between Russia and Belarus in the effort promote economic and legal integration and to improve political relations.

The Uganda localization describes the regional integration process that has occurred in Sub-Saharan Africa, and provides an overview of the key milestones in the East African Community (EAC) integration process.

Five more localizations, on the Transfer of Technology, Regional Trade Agreements and Trade Data Analysis from universities in Barbados, Chile, Jordan and Russia are also in progress.
Four new multimedia teaching resources now online
Reflecting interest in the current hot topic, the global financial crisis, the Vi has prepared two new video lectures for its members. The first, a detailed explanation of how it happened and what policy measures should be on the table by UNCTAD’s Heiner Flassbeck (see related story above). The second, by banking expert, Dr. Y. V. Reddy, takes a look at India’s banking system and policies that have helped the country brave the worst of the crisis.

The remaining multimedia presentations take a look at international investment rule-making and trends. The English presentation of this subject, led by the recently appointed Director of UNCTAD’s Division on Investment and Enterprise (DIAE), James Zhan, took place during UNCTAD’s Multi-Year Expert Meeting on Investment for Development. The Spanish resource, based on a similar presentation, was made by DIAE’s Anna Joubin-Bret, during a video conference held with Vi member, the University of Chile.

_PUBLICATIONS_

UNCTAD’s Economic Development in Africa 2009 - Strengthening Regional Economic Integration for Africa’s Development
This just-published report focuses on ways of strengthening regional economic integration for Africa’s development. It complements existing institutional analyses of regional integration in Africa with an economic analysis of trade in goods and services, migration and investment.

The report surveys recent trends in these flows and assesses the potential for increasing them in ways that will support economic development.

The report finds that - when designed and implemented within a broader development strategy to promote economic diversification, structural changes and technological development - regional integration could help enhance productive capacities of African economies, realize economies of scale, improve competitiveness and serve as a launching pad for African economies’ effective participation in the global economy.

The Global Economic Crisis: Systemic Failures and Multilateral Remedies
This report investigates three core areas of the global economy and proposes measures to address the systemic failures they have entailed: (a) financial deregulation within and across nations, which allowed the build-up of pressures whose unwinding has damaged the credibility and functioning of the market-based models that have underpinned financial development throughout the world; (b) the growing role of large-scale financial investors in commodities futures markets, which has affected commodity price volatility and fed speculative bubbles; and (c) the role of widespread currency speculation in exacerbating global imbalances and fuelling the current crisis in the absence of a cooperative international system to manage exchange rate fluctuations to the benefit of all nations.

The report calls for international economic policymakers to tackle these areas immediately, as these can only be addressed through recognition of their multilateral dimensions.

Assessing the Impact of the Current Financial and Economic Crisis on Global FDI Flows
Foreign Direct Investment (FDI) flows are estimated to have dropped by 15 percent in 2008 from a historic record of US$1.9 trillion in 2007. A further decrease in FDI flows is expected in 2009 as the full consequences of the crisis continues to unfold. This UNCTAD study, released in April 2009, analyzes global trends in FDI flows as well as geographical and sectoral imbalances, and examines how the current global economic crisis has affected FDI flows in the short and medium term.

Although the short term prospects for FDI flows are bleak, some favourable factors are at work that would trigger an eventual upturn whose exact date will depend on a
A series of uncertain factors. In this regard, the report sets out three possible scenarios: V (quick recovery as of 2010), U (slow recovery as of 2011) and L (no recovery before 2012). The U-shaped scenario is presently considered as the most probable scenario. However, this is contingent on the prevention of protectionism, a renewed commitment to an open environment for inward and outward FDI, and structural reforms aimed at ensuring more stability in the global financial system.

> _LINKS

This 10-module course on intellectual property (IP) by the World Intellectual Property Organization was designed for owners of small and medium enterprises. The highly entertaining course features animated characters and dramatic dialogue to illustrate the principal aspects of IP for business. Vi members may consider using it to introduce the subject in a "painless" manner to their students.

> _PEOPLE

**Vi staff on the move**
Joseph Clements has accepted a temporary assignment as speech writer for UNCTAD’s Secretary General. We congratulate Joe on his promotion and wish him much success.

In his absence, Fleur Claessens will act as focal point for all joint projects and localizations.

Caroline Duriaux, our excellent intern, has completed her stay at UNCTAD, and will continue her education at the Graduate Institute of International and Development Studies in Geneva. We would like to thank Caroline for the enormous help she gave the network during her three-month internship.

> _FEEDBACK

The Virtual Institute welcomes any feedback, both positive and critical, about the Vi Newsletter. Is it clear? Are the links helpful? Do they work? Equally, if there is any aspect of UNCTAD’s work that you would like to see reported in the newsletter, please make suggestions and we will try to cover it. We would also welcome any news items from member universities about their current activities. Send all comments and document requests to: susana.olivares@unctad.org

Previous issues are available online.

ALSO, if you haven’t already, please have a look at our website and familiarize yourself with its structure and content.

The UNCTAD Virtual Institute on Trade and Development is a capacity-building and knowledge-sharing programme designed to strengthen the capacities of academic institutions in developing countries and countries with economies in transition to teach and research trade issues.

***NOT A MEMBER? Sign up as an associate member by clicking [here](http://vi.unctad.org).***

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