**Issue #10 - September 2006. Welcome to the Vi quarterly newsletter.**

***TIP*** It is recommended that members subscribe to Debates and Resources on the Virtual Institute site to receive e-mail notification of additions to these sections.

> _NEWS_

**Second Vi meeting set for October 9-11 in Geneva**

Thirteen university members (Canada and China are unable to attend) will gather in Geneva to review the year's achievements and develop next year's work plan for the Vi. This key activity gives member universities a stake in the direction of the network and ownership of the project's activities. The meeting also serves as a professional networking opportunity and a chance to exchange ideas and best practices on the teaching and research of trade issues.

This year's keynote speaker, HE Mr. Carlos Perez del Castillo, former ambassador of Uruguay in Geneva, will discuss the current situation and prospects for WTO negotiations from the perspective of developing countries. The programme also includes substantive sessions on transfer of technology, regional trade agreements, and trade data analysis. Working sessions will deal with localizing training material, working with the Vi website and developing joint projects.

**Universidade Eduardo Mondlane (UEM) in Mozambique joins the Vi network**

Just in time for the second membership meeting, the Vi welcomes UEM in Maputo, Mozambique, as its 15th member university. Specifically, the Virtual Institute will work closely with the university's faculties of law and economics on the enhancement of their masters and undergraduate programmes.

UEM's Faculty of Law set up a Masters Programme in International Trade Law in 2004 in response to the need for qualified personnel in the government to support and conduct international and regional trade negotiations. The programme targets professionals in service (from government, business sector and law/consultancy firms), and is delivered in cooperation with the Faculty of Economics and visiting international professors. The Faculty of Economics offers a Bachelor's degree in Economics with courses on international trade, international economics and international financial system. The faculty also plans to launch a Masters in Development Economics, to be delivered in cooperation with several universities from abroad (South Africa, Namibia, Botswana, and Portugal). This programme will also cover international trade issues.

**Vi workshop on trade research tools and methods links researchers and policy makers**

Twenty researchers and academics from 17 countries -- among them 9 from Vi member universities, and 4 Vi associate members -- followed the workshop on trade data and trade policy analysis held in Geneva, September 11-15. Developed in cooperation with UNCTAD's Division on International Trade in Goods and
Services and Commodities, the World Trade Organization and the International Trade Centre, the workshop provided hands-on practice on trade research tools, and highlighted the link between research and policy-making.

"We did not only get theoretical background but also got to do practical exercises," said one of the trainees, who, as part of the workshop, was granted free access to databases and software such as MAcMAP and WITS.

Another participant commented that the last session, where diplomats from Bangladesh and Mauritius discussed how best to communicate the results of research to policy makers, allowed him to have a better idea of what policy makers expected from researchers. One participant in particular planned to establish relations with the Ministry of Trade after the workshop to define research topics for his institution that would be useful and could be used in policy-making.

The meeting adopted recommendations on how to bridge the gap between researchers and policy makers to foster research-based policy making.

According to the workshop evaluations, all participants intend to use the knowledge and materials from the workshop in their work. Some of the ideas generated were: a new chapter on partial equilibrium models in a Masters course on modelling, short courses for civil society, parliamentarians and policy makers, use of the gravity model for the analysis of intra-WAEMU trade, or development in cooperation with UNDP of a CGE model for Cambodia.

"The workshop has been really useful for trade researchers as well as lecturers. It would be a solid foundation for further/advanced training workshops in the future on a particular model. In this regard, more training courses should be organized."

**Second Vi fellowship wraps up**

Thanks to the support of the government of Finland, two fellows from the Vi member university in Senegal, Ibrahima Thione Diop and Malick Sané, successfully completed their one-month fellowship at UNCTAD in September.

The Cheikh Anta Diop University of Dakar is currently building a trade research team and in this context, the fellows worked on specific research projects during their stay: the strategy to cope with upsurge in poultry imports to Senegal, and the determinants of foreign direct investment to WAEMU countries. They were also able to work on the preparation of Masters programmes under their responsibility - the Masters in International Trade and Trade Negotiations, and the Masters in Rural Economy, which will be launched by the University shortly. In addition to the Vi, UNCTAD’s Trade and Investment Divisions provided staff to support the fellows in their work.

**Vi university member: UNCTAD training beneficial for training and research**

Talib Awad, professor at Vi member University of Jordan, and Vi associate member, Rabee Salih from Baghdad University in Iraq, participated in UNCTAD’s regional training for Western Asia on Key Issues on the International Economic Agenda held in Beirut from 26 June to 13 July. The course focuses on the links between trade, investment and development, especially in the context of the current multilateral trade negotiations, and aims to build the knowledge of trade officials and academics from the participating countries in these areas.

"Many of the course materials are very relevant to the courses we are already
teaching here at the University of Jordan for both undergraduate and graduate levels," Awad said. "I am convinced that the course can contribute positively to what you call endogenous capacity building. Therefore I strongly recommend it to all Vi members without any reservation."

Other Vi members seem to agree. In the current course for transition economies held in Belgrade, Serbia, Vi associate member Predrag Bjelic from the University of Belgrade is contributing as resource person, and in the next course for Asia and the Pacific, scheduled for November 13 to December 1 in Bangkok, Vi university member Manoj Pant, from the Jawaharlal Nehru University (JNU), will also act as resource person. Two other university members, Mehdi Fakheri from the School of International Relations in Iran, and Alokebars Barua, from JNU in India, as well as Vi associate member, Ramesh Chitrakar from the Tribhuvan University in Nepal have been selected as participants.

**Tanzania’s UDSM completes first trade negotiations simulation**

Vi member University of Dar-es-Salaam conducted a trade negotiations simulation focusing on "Trade as a tool for development" at the Eastern Africa Statistical Training Centre July 17 - 29. A key component of the professional Master in International Trade Programme of the university's Faculty of Commerce and Management, the simulation aimed at enhancing the practical skills of the students with regard to the management of trade negotiations. The simulation was an "eye-opener" said one participant. "We have noted that deadlocks in negotiations are normal life!" For more information, contact Francis Matambalya or Charles Domician.

> **TEACHING RESOURCES**

**Matériel sur l'economie de la production et du commerce des produits de base maintenant disponible en Français**

Utilisé comme matériel lors des séminaires de l'Institut Virtuel en Tanzanie et au Sénégal, il est maintenant disponible en ligne pour les membres de l'Institut Virtuel. Le matériel comprend 5 modules de formation sur les définitions et l'analyse des marchés, le rôle de la politique nationale et de la coopération internationale, le système de négoce international et les négociations, l'accès au marché et les conditions d'entrée au marché, et pour finir les finances internationales et la gestion des risques pour les pays en développement. Tous les modules intègrent des questions-discussions et des thèmes pour les recherches, ainsi que des études de cas relatant des expériences sur le terrain ainsi que des exercices pour les étudiants.

Le matériel comprend également une bibliographie complète avec des suggestions de lectures et un lexique complet des termes et concepts utilisés dans les modules.Une simulation des négociations sur un tarif extérieur commun à la CEDEAO peut également être téléchargé, et comprend les instructions, les informations et données de base, ainsi que les contextes des pays concernés.

**New Resources on Trade Data and Trade Policy Analysis**

To coincide with the Virtual Institute's recent workshop on tools and methods for trade and trade policy analysis, we have opened a new category on the Vi website devoted to articles and resources on the subject. The category currently includes
papers explaining econometric techniques and simulation models, which would provide a good introduction for anyone not familiar with the topic. We have also posted several research papers which use econometric tools or simulations to analyze trade policy and would be of interest, not only to anyone interested in the specific policy area, but also to those who have a greater command of such analytical research techniques and methods. We hope to add to this category substantially in the future.

>PUBLICATIONS

**Least Developed Countries Report 2006 now available in English and French**

Although development aid doubled, and the economies of the world’s 50 poorest countries grew by the highest rate in two decades, this is not translating effectively into poverty reduction and improved human well-being, indicates the report published in August. The key to reducing poverty in the world’s poorest countries is developing productive capacities — the ability to produce, efficiently, goods and services that can be sold both at home and abroad to encourage increasing employment and stable growth.


This year’s report looks specifically at the threat to growth from global financial imbalances and at the potential for development from the changing climate on aid flows, migrant remittances, export opportunities and increasing FDI flows.

The *Trade and Development Report (TDR)* 2006 offers ideas and general principles for designing macroeconomic, sectoral and trade policies that can help developing countries succeed in today’s global economic environment. Particular attention is given to policies that support the creative forces of markets and the entrepreneurial dimension of investment.

The TDR also argues that a global partnership for development will be incomplete without an effective system of global economic governance that takes into account the specific needs of developing countries. At the same time it should ensure the right balance between sovereignty in national economic policy-making on the one hand, and multilateral disciplines and collective governance on the other.

**UNCTAD's 2006 report on Economic Development in Africa - Doubling Aid: Making the "Big Push" work, now available on the VI website**

This year's report addresses the question of how "doubling aid to Africa" could substantially contribute to economic and social development in the region. It provides readers with a comprehensive historical overview of models of foreign aid and identifies flaws in the current aid system. The report suggests revisiting the "big push" development strategy first put forward in the 1950’s, and highlights the importance of coherence and quality aspects in aid supply on the donor-side, as well as the role of policies pursued by recipients. A new architecture of aid should ensure a stronger focus on developing productive capacities, and respond to local and regional needs instead of imposing conditionalities. A reduction of unnecessary competition among donors and a greater multilateralization can help to make aid more efficient.
Help UNCTAD put trade capacity building at the top of its agenda

The UNCTAD Ad Hoc Expert Meeting on Building Skills in Developing Countries: Training, Networking and ICTs will be held in Geneva November 27-28. The objective of the meeting is to provide a forum for developing countries to find out, through sharing experiences and best practices, how to implement strategies that develop effective personnel and institutions in the area of trade. The meeting is part of the preparations for UNCTAD XII, the organization's quadrennial conference scheduled for 2008 in Ghana.

We encourage our membership to participate and/or submit written contributions related to their country's experience on the subject by November 10 to alessandra.vellucci@unctad.org

WTO Public Forum with Civil Society, September 25 - 26, 2006

The WTO's recent forum with civil society, "What WTO for the 21st century?", tackled many WTO issues and other topics, such as corporate social responsibility, employment, gender and the role of the media. Our university members asked that we cover: RTAs: threat or opportunity for the WTO? Operationalising Aid for Trade; How can academic policy-oriented thinking on WTO matters be improved? The notes taken during these sessions are available at the Vi site, and provide a flavour and summary of what was said and by whom.

CEPII (Centre d’études prospectives et d’informations internationales)

CEPII is a leading institute for research on the international economy in France whose research areas include international integration (growth analysis, dynamics of integration), models and trade databases for international trade and money and international finance. In the section on databases, you will find descriptions and in some cases direct links to databases such as the distance database, which can be useful for the estimation of gravity functions. CEPII also develops simulation models, especially based on CGE modelling techniques. The website also provides model descriptions, relevant research papers and contact details of staff at CEPII responsible for DREAM (Deep Regional Economic Analysis Model), MIRAGE (Modelling International Relationships in Applied General Equilibrium) and INGENUE, a model using demographic and socio-economic criteria.

UNCTAD Trade Analysis Branch (TAB)

The UNCTAD Trade Analysis Branch (TAB) makes available analytical tools and databases, such as AMAD (Agricultural Market Access Database) and ATPSM (Agricultural Trade Policy Simulation Model). AMAD contains data on production and consumption, WTO tariffs and TRQ schedules, imports and applied tariffs for more than 50 countries. You can access the database (provided in Access and Excel formats) from the TAB website for free. ATPSM is a trade policy simulation model designed for quantifying the economic effects of changes in agricultural trade policies. It can be used as a tool by researchers and negotiators alike for analyzing price, trade flow and welfare changes resulting from unilateral actions.
by individual countries or actions required under negotiated agreements. The
graphical user interface assists the user in setting up scenarios, running the
simulations and storing and reading the output data. This and the content specific
online help make the program easy to use for everyone. The software is available
free of charge on CD-ROM or can be downloaded from the TAB website.

> _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 to:
susana.olivares@unctad.org

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

The Virtual Institute on Trade and Development is a knowledge-sharing programme designed to
strengthen the capacities of academic institutions to teach and research trade issues, particularly
in developing countries.

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