Peru, Spain join Virtual Institute network
The Universitat de Barcelona (UB) and the Pontificia Universidad Católica del Perú (PUCP) joined the Vi this summer, extending the reach of the network to five Spanish-speaking countries.

UB became Vi's 25th core university member in July -- the fourth member from a developed country, along with Canada, France and Italy. The university has already contributed to the network this year by offering scholarships to candidates from Vi member universities for its Masters in International Economic Law and Policy (IELPO).

Seven Vi members were admitted to the programme. However, due to funding constraints, only three will be able to attend the course: María Alejandra Calle, EAFIT University, Colombia; Ha Cong Anh Bao, Foreign Trade University, Vietnam; and Vi associate member, Vutha Hing, Cambodia Development Research Institute.

Vi's counterpart is the International Chair WTO/Regional Integration of the Faculty of Law, which also manages the IELPO programme, and is developing a “Barometer” to study the state and perspectives of international trade relations. The UNESCO Chair in Bioethics will also be involved in the cooperation with the Vi.

UB's Vi coordinator is Ramon Torrent (rtorrent@ub.edu), coordinator of the WTO Chair and the Observatory EU-Latin America and director of the IELPO programme. Ramon has a PhD in Law and teaches political economy and international economic law. His research work focuses on globalization, regional integration, legal aspects of foreign direct investment and trade in services.

PUCP, the network's 26th core member, joined in September, bringing the number of Latin American core members to five, along with Argentina, Brazil, Chile and Colombia.

Located in Lima, the 90-year-old institution, offers vocational, undergraduate, graduate and doctoral degrees to a student body of approximately 18,000. Its vision is to be at the forefront of university education in Peru and to be recognized, both in Peru and abroad, as an institution that fosters and generates development.

The Vi will work with the Department of Economics of the Faculty of Social Sciences, which proposes a Masters programme with three specialties: Regulation and Public Policy, Globalization and Economic Development and Finance and Capital Markets. The university also offers Masters programmes in International Economic Law, Intellectual Property and Competition Law, Business and Political Science, as well as a PhD in Law.

Alan Fairlie (afairli@pucp.edu.pe), Principal Professor of the Economics Department, will serve as the university’s Vi member coordinator. His background in Economics, with a focus on international trade and development, will be a major asset to the networks’ future endeavors. His teaching and research expertise include international economic integration, international political economy and development theory.

Vi's work will also be linked to the university’s Center for Sociological, Economic, Anthropological and Political Research (CISEPA), headed by Augusto Castro (cisepa@pucp.edu.pe).

Both universities will collaborate with Argentina, Brazil and Chile on a large research project, funded by the Government of Spain, on the future of regional cooperation and integration in Latin America.
Vi hosts four new fellows this quarter

Vi members from Russia, Senegal, Tanzania and Uganda worked on their research projects at UNCTAD between June and September as Vi fellows. The Vi fellowships allow academics to spend four to six weeks in Geneva under the wing of UNCTAD experts, who help them refine research questions, choose appropriate methodology, and facilitate contact with other international organizations and their information resources.

"The fellowships are a big part of our capacity-building efforts," said Vi's Chief, Vlasta Macku. "The academics develop their knowledge and research skills 'by doing'."

Francis Ejones, a lecturer from Makerere University Business School, along with his mentor, Olle Ostensson, of the Division on International Trade in Goods and Services and Commodities, worked on a study on coffee exports in Uganda.

Chacha Ryoba Magubo, of Tanzania's University of Dar-es-Salaam, benefited from the mentoring of Ugo Panizza, of the Division on Globalization and Development Strategies. Magubo prepared a paper on the impact of financial liberalization on the performance of Sub-Saharan Africa's financial sector. The paper will also serve as the dissertation for his Professional Master's in International Trade.

Amadou Fall, Head of the Department of Management at the Cheikh Anta Diop University of Dakar, worked with Cécile Barayre, of the Division on Technology and Logistics. Fall is developing a case study on the competitiveness of Senegalese Call Centers.

The three African fellows (all from Least Developed Countries) were sponsored by the government of Finland. At the end of their stay, the fellows presented the results of their work to their country representatives in Geneva and UNCTAD staff.

Anna Abramova, of Vi's Russian affiliate member, the Moscow State Institute of International Relations, received a grant from her university to fund her fellowship. Abramova, who also collaborated with Barayre, sought contacts and materials for developing a manual on e-commerce for fourth-year students; identifying new trends on technology-related international trade; and writing a paper on the development of e-commerce in Brazil, Russia, India and China (BRIC countries).

Virtual Institute Belarus member coordinator praises UNCTAD course

Alena Petrushkevich, Vi coordinator at Belarus State Economic University, wrote she was proud that her University had been chosen to host UNCTAD's 14th regional Course on Key International Economic Issues.

Twenty-four participants from 12 countries in Eastern Europe and the Commonwealth of Independent States (CIS) attended the course held June 23-July 11. The program examined contemporary topics on international economics and their development implications for economies in transition.

"The course exceeded my expectations," she said. "It focused not just on presenting information and theory but on generating debates, brainstorming and presentations from participants. This is an essential advantage of the course that distinguishes it from many others.

"The simulation exercise on GATS was unique. It synthesized the concepts learned in the training modules and provided opportunities to learn about WTO rules and to acquire negotiating skills.

"In my opinion, the level of the course was very high and the participants are lucky to have had an opportunity to gain from it," she concluded.

For more information about the course, visit http://p166.unctad.org.
Vi Colombian member site of WTO regional courses
Bogotá's Universidad Sergio Arboleda will host the World Trade Organization's regional courses on trade policy for Latin America for the next three years. The university's bid came on top out of the 16 proposals received from countries in the region.

"This is without doubt good news," said Dr. Rodrigo Noguera, university Rector. "It represents for the university the enhancement of its institutional capacity, through the WTO secretariat's training and consolidating of our human resources to offer training and research programs on international trade."

Virtual Institute member coordinator, Dr. Ramón Eduardo Guacaneme P., Director of the specialization in international trade, will lead the courses.

Barbados Vi member announces conference, call for papers
The Sir Arthur Lewis Institute of Social and Economic Studies (SALISES) of the University of the West Indies (UWI) will hold its 10th annual conference from March 25-27, 2009.

This year's conference, "Navigating Risks and Building Resilience in Small States", invites papers on topics such as: Opportunities and Challenges of the EPA and Doha (WTO) Agreement; Finance, Investment and Risks: International and Local Dimensions; Charting New Areas in innovation and Enterprise Development; Cultural Industries in Small States: Copyright, Piracy and Technology; Human Resources Development and Building Resilience; Macroeconomic Management in Small States.

The deadline for submission of abstracts is December 15, 2008. Full papers (in PDF format) must be submitted by February 15, 2009.

Finland renews support for Vi
The Ministry of Foreign Affairs of Finland has donated €100,000 to fund Vi activities for Least Developed Countries (LDC) this year. Some of the funds will co-sponsor November's workshop on International Investment Agreements to be held in Uganda.

Finland has been supporting the Virtual Institute since 2006. Its contribution has been used to fund or co-fund capacity-building activities for academics from LDCs -- teaching materials, professional development workshops and Vi fellowships.

We would like to express our great appreciation to donors like Finland and Spain. While the United Nations funds three positions to implement the programme, most Vi activities and materials must be financed by outside sources.

ICTSD latest Vi partner - Welcome
The International Centre for Trade and Sustainable Development (ICTSD) has begun its partnership with the Virtual Institute by enriching our online digital library. In the past two weeks, the organization has uploaded 25 publications on themes like international economic law, the multilateral trading system, trade and poverty, development strategies, science and technology and competition law.

ICTSD was established in 1996 to contribute to a better understanding of development and environment concerns in the context of international trade.

>_UPCOMING EVENTS

Kampala, Uganda, 10-14 November: Workshop on the Teaching and Research of International Investment Agreements (IIAs).
Twenty six academics from 11 English-speaking African countries, in particular LDCs, will take part in the workshop organized by the Virtual Institute in cooperation with UNCTAD's Division on Investment and Enterprise and in partnership with Vi's Ugandan member, Makerere University Business School.

Based on the Vi teaching material developed for the network, the programme will address the economic and legal aspects of investment and IIAs. The program will also
examine the methodological approaches used in the research of the topic, and will define areas and potential questions for research. The workshop will host a round table with local policymakers to discuss how to involve policymakers in the research process, how to communicate findings to them, and how to better utilize local research capacity.

The workshop is made possible by the financial contributions of the governments of Spain and Finland.

Call for applications for UNCTAD regional course

Vi members in the African region may apply to attend the next UNCTAD course on International Economic Issues to be held in Cairo, Egypt, January 25 - February 12, 2009. Deadline for applications is November 14.

The three-week programme of the course will look into the complex links between trade, finance, investment and technology, and countries’ development strategies. It will also address the implications of trade and financial integration for economic growth, structural change and technological upgrading. Participants will be able to acquire knowledge and skills related to the design and implementation of trade and development policies, and to trade negotiations. The course will also give them an opportunity to reflect about what policymakers and academics could do together to provide informed advice to their governments.

Vi members in the region may also apply to participate as resource persons by submitting a proposal by October 31.

> TEACHING RESOURCES

New Training Package on the Transfer of Technology

This new package, requested by Vi members at the second Vi meeting, contains four modules on technology transfer, which can be used as the basis of a stand-alone course on the topic, or as sources of information for other courses, in particular on intellectual property, investment and regional integration. In this respect the modules complement and extend Vi’s other training packages in these last two areas.

Modules 1 and 2 of the material look at the determinants and channels of technology transfer and what legal and policy instruments exist to facilitate its transfer, such as types of contractual agreements. The modules also examine the process of technology transfer, and contain information on trends in international technology transfer. Modules 3 and 4 focus on Intellectual Property Rights issues and international agreements that cover the transfer of technology.

The Vi has received a localization proposal from the University of the West Indies. The Moscow State Institute of International Relations and Cheikh Anta Diop University have also expressed interest in adapting the material.

Four more localizations of Vi training material on IIAs, first one on Trade and Poverty

In addition to the recent localization by Mauritius, the Vi training package on Economic and Legal Aspects of International Investment Agreements (IIAs) has been adapted by four more members: Colombia, Belarus, Jordan and Vietnam.

The Colombian localization involves additions to every module and theme in the package. The added material contains local examples and cases, including excerpts from Colombian law, as well as locally relevant data. The added information would be useful as a case study in other members’ courses. The original teaching material was also translated into Spanish.

The Belarusian localization added national and regional information on Foreign Direct Investment (FDI). The added material gave special attention to the national policy framework for FDI in Belarus and international regulations relevant to the Belarusian case. The material is available in English and Russian.

The Jordanian localization translated the material into Arabic, and includes information
on investment agreements and FDI trends in Arab countries. The full material is available in Arabic only.

The Vietnamese localization has translated the two modules on IIA economic aspects, and added locally relevant content such as the national FDI definition, information on investment laws, trends of FDI in Vietnam and other countries in the region, case studies, and information on national investment promotion efforts.

Mauritius has developed the first localization of the Trade and Poverty material, adding four additional components: a survey of trends in trade, poverty and inequality in Mauritius; an analysis of the impact of growth on poverty broken down by sector; data on growth, highlighting contributions of domestic demand, import substitutions and export expansion to growth; and an analysis of the role of Mauritius in the global value chain for textiles and clothing.

Vi partners featured in online videos

Vi website users can get hands-on practice on using valuable market analysis databases, or virtually attend a recent international conference on food and energy security, thanks to the collaboration of Vi partners, the International Trade Centre (ITC) and the South Centre.

In July the Vi produced multimedia files of Trade Map and Market Access Map, two of ITC's online market analysis databases. The presentations feature a step-by-step tour of the tools, with on-screen narration by ITC expert, Miguel Camacho. The databases are available free of charge for developing countries until the end of the year.

The Vi also covered discussions on the recent food crisis that took place during the "North-South dialogue on Food and Energy Security," organized by our partner, the South Centre, in June.

> PUBLICATIONS


The 2008 issue of the Trade and Development Report, launched September 4, provides in-depth analyses of the global economic situation. Once more, it challenges some of the lessons from mainstream economic theory.

Subtitled "Commodity Prices, Capital Flows and the Financing of Investment", it highlights the paradox that the "capital poor" developing world is exporting capital to the "capital rich" developed countries. This "puzzle" is all the more intriguing as many capital-exporting developing countries have been achieving higher rates of investment and growth than those that are net importers of capital.

Against this background the Report suggests to shift the focus in financial policies away from inducing domestic savings and transfers from abroad, to the reinvestment of profits and credit creation through the domestic banking system. Regarding foreign capital inflows, dependence can often be avoided by policies aiming at a "competitive" exchange rate. In other cases, however, large increases in official development assistance are indispensable not only to foster the achievement of the Millennium Development Goals by 2015, but also to improve infrastructure and increase productive capacities.

**UNCTAD World Investment Report (WIR) 2008 - Transnational Corporations (TNCs) and the Infrastructure Challenge**

This year's WIR analyses the latest trends in global foreign direct investment (FDI), which rose in 2007 by 30 percent, well above the previous all-time high set in 2000. Although the global financial crisis had a limited impact on FDI flows in 2007, the report states that the brunt of the shock will be felt in 2008.

The WIR also looks at the contribution of FDI to the development of infrastructure -- particularly electricity, telecommunications, transport, and water. While developing country governments currently spend three to four percent of GDP on infrastructure
development, experts say they must more than double this investment to bridge the actual gap of services. Governments have therefore opened infrastructure industries and services up to much greater involvement by the private sector – including TNCs, whose participation in infrastructure has increased since the 1990s.

**UNCTAD Least Developed Countries (LDCs) Report 2008 - Growth, Poverty and the Terms of Development Partnership**

The report notes that although LDC economies continue to rapidly expand, the sustainability of this growth is dangerously vulnerable to trade shocks from the volatility of commodity prices, which affects both exports and imports. Moreover, it observes a weak link between this growth and improvements in human well-being, poverty reduction and the achievement of the Millennium Development Goals (MDGs).

In assessing progress towards country-owned development strategies, the report finds constraints arising from high levels of dependence on donor finance, weak technical capacities and the slow progress in aid alignment with country plans and budgets. In order to encourage country ownership, the report advocates recipient-led aid management policies and increased, flexible assistance from LDC's development partners.


Africa's efforts on trade liberalization over the last 25 years have removed most of the policy-induced barriers that had been considered as the main impediments to these countries’ export performance. However, the latest edition of the Report on Economic Development in Africa finds that trade liberalization in the region has not substantially improved Africa's export performance, even in the key areas of agriculture and manufacturing.

According to the report, African countries have failed to diversify their exports toward more dynamic primary commodities and manufacturing goods, which are less prone to the whims of international markets. In addition, Africa's weak supply response is cited as the most important impediment to the continent's export performance, which suggests that future export strategy should focus more on sector specific development strategies to increase production for export.

The report notes that export development requires more than trade liberalization and that trade policy needs to be closely linked to complementary and clearly defined agricultural and industrial sector development policies. It also emphasizes the need for macroeconomic and political stability as well as policy predictability as prerequisites for the success of trade liberalization and sectoral development policies in Africa.

---

**Vi contributors on the move**

Ralf Krueger, who joined the Vi last year, has received a promotion and will move to the UNCTAD Division on Investment and Enterprise Development (DIAE) - Investment Analysis Branch, to contribute to the World Investment Report series. Ralf accompanied our members in their work on many localization and joint research projects in terms of substantive and formal reviewing of drafts, provision of comments, and parts of the administrative process. He contributed to the third Vi members meeting, and organized the first joint study tour to Geneva-based organizations for our Russian member universities earlier this year. Ralf also used his investment expertise in updating the teaching material on International Investment Agreements. Ralf can be contacted at ralf.krueger@unctad.org.

Ana Carolina Abar began working as a video/multimedia intern for the Virtual Institute in April. During her internship, Ana developed several high-quality multimedia presentations for the Vi website, including: a presentation by the International Monetary Fund on its report, the World Economic Outlook; a comprehensive package on the global food and energy crisis; and an introduction video to South-South trade. More of
her videos will be published soon. Ana completed a Master's thesis on biofuels, and obtained her diploma from VI's French member, Pierre Mendès France University. Ana leaves the VI to pursue a career in journalism. She can be contacted at ana_abar@hotmail.com.

Yasemin Turetken, joined the Virtual Institute in 2007, thanks to an internship funded by Germany's Carlo Schmid Programme. During her stay, Yasemin was instrumental in the development of the website user database and digital library. She also organized our courses on key economic issues for Geneva-based missions, coordinated VI video conferences and managed member contributions to the third membership meeting. She reviewed and edited teaching materials, gathered and distributed publications and CD-Roms, and was a frequent contributor to the quarterly newsletter. Yasemin has joined a development consulting firm in London, and can be reached at ytueretken@gmx.de.

> _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.

Virtual Institute, UNCTAD, Palais des Nations, 1211 Geneva, Switzerland 10
tel: + 41 22 90 75724 - fax: + 41 22 90 75000, vi@unctad.org
http://vi.unctad.org

To unsubscribe from this newsletter, please send an email to vi@unctad.org.