



University of Pavia



University of Insubria



Institute for Advanced Study

Cooperation and Development Network (CDN)



In collaboration with EADI – European Association of Development Institutions

## Summer School on *Structural Change: Analyses, Experiences and Methodologies*

3-16 June 2009

**Application deadline: 8<sup>TH</sup> May 2009**

Over the last few years the international debate on economic policies, and especially on development policies, witnessed the emergence of views alternative to the Washington consensus. The current economic events at the world level – people are more worried about deflation than inflation, industrialists are asking the governments to spend more rather than less, etc. – make a full understanding of such alternative views more needed than ever.

The Summer School is organized in two parts. The first aims at providing participants with a good knowledge of the main theories belonging to the tradition of the so called “heterodox economics”, which constitute the intellectual background of the alternative views mentioned before. The second part aims at providing participants with the technical skills needed to build the so called heterodox Computable General Equilibrium (CGE) models, an analytical tool through which the above mentioned views may be translated into concrete calculations on the likely effects of different sets of alternative economic policies.

### Program

3 June: Introductory Class

4-9 June 2009: Theoretical lectures

- The historical and analytical background of the structuralist approach (**Gianni Vaggi**, University of Pavia and Institute for Advanced Study – IUSS - Pavia)
- Structuralist Microeconomics (**Mario Cimoli**, CEPAL, Santiago de Chile; **Giovanni Dosi**, Sant’Anna School Pisa,)

- Keynesian Macroeconomics (**Amit Bhaduri**, University of Pavia)
- Heterodox approaches to international finance (**Roberto Frenkel**, CEDES, Buenos Aires)
- Structural change and development policies (**Gioacchino Garofoli**, University of Insubria; **Claude Courlet**, University Pierre Mendès France Grenoble; **Robert Wade**, London School of Economics)

10-16 June 2009: Empirical Applications

- Structuralist CGE modelling (**Rudiger von Armin**, University of Denver; **Marco Missaglia**, University of Pavia and University Institute for Advanced Studies – IUSS - Pavia)

The second part of the Summer School will be devoted to structuralist and post/Keynesian CGE models. What will the students learn?

A CGE model – regardless of its nature, neoclassical or not – is a set of simultaneous equations describing the production behaviors in the different sectors of the economy, the demands expressed by different institutions and the equilibrium conditions in the different markets taken into consideration. In most CGE models with a neoclassical persuasion only the real side of the economy is investigated – money is nothing but a “veil”; in structuralist and post-Keynesian CGE model assets market are also included. In neoclassical model macro causality runs from savings to investments, whereas structuralist and post-Keynesian models are built around the opposite view, investments determine savings. In neoclassical models unemployment originates in the labour market (eventually from profit-maximizing choices of the entrepreneurs), whereas structuralists and post-Keynesians believe the origin of unemployment is to be found in the product market. Etc..

The students will learn: a) how these and other differences are modeled and b) how these differences affect the outcomes of various possible policy simulations.

More specifically:

- Before the starting of the summer school the participants will be provided with technical notes containing a step-by-step explanation of the procedure needed to build a CGE model.
- During the summer school the participants will learn, again through a step-by-step approach, the procedure needed to build a structuralist/post-Keynesian CGE model. They will be taught useful techniques to run several policy simulations (trade policies, macro policies, industrial policies, tax policies).

Given the nature of this part of the Summer School, classes will be mainly held in the computer lab. In any case, students are encouraged to come to Pavia with their own laptops.

### Participation fee

- 1,000 euro: inclusive of course tuition and didactic material
- 1,500 euro: inclusive of course tuition, didactic material and accommodation (*this option is subject to housing availability and thus reserved to early comers*)

**Non-refundable registration fee:** 35 euro

**Location:** Faculty of Economics, University of Pavia, Via San Felice 7, 27100 Pavia – Italy

Organized by the **Cooperation and Development Network (CDN)** in collaboration with the University of Pavia, the Institute for Advanced Study of Pavia (IUSS) and the University of Insubria. For further information regarding the organization of the Summer School please refer to: Alberto Botta ([albertobotta@hotmail.com](mailto:albertobotta@hotmail.com)) and/or Francesca Montagna Napoleone ([cdn@unipv.it](mailto:cdn@unipv.it)), Development School: c/o Collegio Santa Caterina, Via San Martino 17/A, 27100 Pavia – IT. Tel: 39-0382-22540, Fax: 39-0382-307861: [www.unipv.it/iuss/cdn](http://www.unipv.it/iuss/cdn).

For further information regarding the specific contents of each module, please refer to Marco Missaglia ([marco.missaglia@unipv.it](mailto:marco.missaglia@unipv.it))

FOR APPLICATION PROCEDURE PLEASE REFER TO THE APPLICATION FORM ATTACHED.