

**Chair of International Economics**  
Professor Dr. Sebastian Krautheim

## LIST OF TOPICS

Bachelor Thesis

## **Ricardo (200 years): The Good Old Ricardo ...**

**Description** The year 2017 was the 200 years anniversary of Ricardo's theory of comparative advantages. Is it still relevant in the 21st century?

You will be surprised of the answer: Focus on a topic of Part Two or Three of the ebook.

Note that Chapter 7 can be combined also with the topic "Global Value Chains"

**Literature** Kick off material:

- [VoxEU book, "The Relevance of Ricardo's Comparative Advantage in the 21st Century"](#)

**Supervisor** Dr. Davide Sala

## Global Value Chains

**Description** Global Value Chains are reshaping world trade and ultimately connect firms to consumers.

Within this broad topic, the student could choose to focus in one of these aspects:

- Mapping of Global Chains
- Impacts of Global Chains
- Firm Engagement in Global Value Chains
- Location-specific competitive advantages

These parts roughly correspond to the three main aspects of Global Chains covered in the book “The Age of Global Value Chains: Maps and Policy Issue”, by Joao Amador and Filippo di Mauro.

Note that this topic can be combined with the topic “Trade in Value Added”.

### Literature

- Ebook book “The Age of Global Value Chains: Maps and Policy Issue”, by Joao Amador and Filippo di Mauro. Available on [voxeu.org](http://voxeu.org).
- Baldwin, Richard E. and Evenett, Simon J. (2015). Value Creation and Trade in 21st Century Manufacturing. *Journal of Regional Science*, 55 (1): 31-50.

**Supervisor** Dr. Davide Sala

## Trade in Value Added

**Description** Recently, economists, international organization and statistical offices have increased their efforts to track value added in trade, how much of value added is added in each passage of intermediate goods in one's country trade with an other.

Interesting aspects are:

- Which are the indicators used to measure trade value added.
- How much value added is trade
- How much of a German car value is manufactured in Germany?

Note that this topic can be combined with the topic "Global Value Chains".

**Literature** Kick-off material from [voxeu.org](http://voxeu.org):

- [Trade in value added indicators: what they are, what they aren't, and where they're headed](#)
- [How much value added is traded?](#)
- [TiVA dataset](#)

**Supervisor** Dr. Davide Sala

## Offshoring and Occupational Stability

**Description** Who are the workers most vulnerable to offshoring?

**Literature** Kick-off material:

- Baumgarten, D. (2015), Offshoring, the Nature of Tasks, and Occupational Stability: Empirical Evidence for Germany. *World Economy*, 38: 479–508. doi:10.1111/twec.12155

**Supervisor** Dr. Davide Sala

## Temporary Trade Barriers (TTB)

**Description** Temporary Trade Barriers occupy a prominent role in contemporary protectionism, especially in times of economic crisis.

Possible directions to focus the thesis:

- TTB during the Great Trade Collapse of 2009
- The role of WTO to preclude the rise of protectionism in response to an economic crisis.
- The rise of protectionism during the Great Trade Collapse of 2009 compared with the rise of protectionism during the Great Recession of 1929.
- The role of vertical specialization during the collapse of global trade (see ebook)
- antidumping investigations (see ebook)
- "Deep agreements" and TTB

**Literature** Kick off material:

- [VoxEU Book: The Collapse of Global Trade, Murky Protectionism and the Crisis](#)
- [Vox Article: Trade policy through 2013 \(by Chad Bown\)](#)
- [World Trade Report 2009 "Trade Policy Commitments and Contingency Measures"](#)
- Evenett, Simon J., and Aggarwal, Vinod. 2014. Do WTO Rules Preclude Industrial Policy? Evidence from the Global Economic Crisis. *Business and Politics*, 16 (4): 481-509.
- Evenett, Simon J., Vermulst, Edwin, and Sud, Jui Dion. (2016). Normal Value in Anti-Dumping Proceedings against China Post-2016: Are Some Animals Less Equal Than Others? *Global Trade and Customs Journal*, 11 (5): 212-218.
- Deep agreements: [Policy Research Working Paper \(@ Worldbank\)](#)
- (DATA) [Global Trade Alert: Motivation and Launch \(by Simon Evenett\)](#)
- (DATA) [The Temporary Trade Barriers Database \(TTBD\)](#)

**Supervisor** Dr. Davide Sala

## US Trade Policies under the Trump Administration (or, the “new cold trade war”)

**Description** “Donald Trump’s policy is all about the trade deficit. . . . Whether economists like it or not, the world has to deal with President Trump’s interpretation of the US’s trade deficit.”(Felbermayr and Südekum 2018, VOX Column). “The Trump administration intends to restructure US international trade relations with its major trade partners to correct what it perceives to be unfair trade and establish a ‘level playing field!’” (Felbermayr et al. 2017, Vox column)

Note: This topic can be combined also with TTB.

**Literature** Kick-off material:

- [Felbermayr and Südekum \(2018\), VOX column](#)
- [Felbermayr et al. 2017, VOX column](#)
- [VOX column “Awe trumps rules: An update on this year’s G20 protectionism”](#)
- [VOX column “Evaluating Trump’s trade policies”](#)
- [VOX column “Empty threats: Why Trump’s protectionist policies would mean disaster for the US”](#)
- [VOX Ebook: “Economics and policy in the Age of Trump” \(Chapter 6,7,9 and Part III\)](#)

**Supervisor** Dr. Davide Sala

## The Rise of Populism in Western Politics: Why?

**Description** Voting far-right or far-left has distinct roots. The literature below tries to identify some reasons, and discusses also whether it can threaten European integrity.

**Literature** Kick-off material:

- [VoxEU column “The European trust crisis and the rise of populism ”](#)
- [VoxEU column “The spread of populism in Western countries”](#)
- [VoxEU column “Populism and trust in Europe”](#)
- [VoxEU column “Economics of the populist backlash ”](#)
- [VoxEU column “Explaining the Alternative für Deutschland party’s electoral success: The shadow of Nazi voting ”](#)
- [VoxEU column “Immigration and far-right voting: New evidence”](#)
- [VoxEU column “The euro area’s deepening political divide ”](#)
- Steinmayr, Andreas. (2016). Exposure to Refugees and Voting for the Far-Right: (Unexpected) Results from Austria, IZA DP No. 9790.
- Dippel, Christian, Heblich, Stephan, and Gold, Robert. (2015). Globalization and Its (Dis-)Content: Trade Shocks and Voting Behavior. NBER Working Paper No. 21812.
- Dorn, D., Hanson, G., and Majlesi, K. (2016). Importing political polarization? The electoral consequences of rising trade exposure. NBER Working Paper No. 22637.

**Supervisor** Dr. Davide Sala



## Intergenerational Mobility

**Description** Intergenerational mobility – the ability of less-advantaged children/workers to achieve economic success – is of fundamental importance for economies based on the principle of “equal opportunity”.

In particular, the student could focus on:

- US intergenerational mobility since WWII
- Drivers of intergenerational mobility
- Cross-countries comparison of intergenerational mobility
- **or:** the job ladder over the business cycle

**Literature** Kick-off material based on [voxeu.org](http://voxeu.org):

- [US intergenerational mobility since WWII](#)
- [Where is the land of opportunity? Intergenerational mobility in the US](#)
- [The job ladder over the business cycle](#)
- Corak, M., Lindquist, M., and Mazumder, B. (2014). “A comparison of upward and downward intergenerational mobility in Canada, Sweden and the United States” *Labor Economics* 3, pp. 185–200.
- Jenkins, S., and Schluter, C. (2002). “The effect of family income during childhood on later-life attainment: evidence from Germany”, IZA Discussion Paper Series 604, pp. 1–32.

**Supervisor** Dr. Davide Sala

## Blockchain: a possible disruptive and revolutionary technology?

**Description** According to many opinionists, Blockchain - the technology at the heart of bitcoins - seems to have a potential for revolutionizing the way current business and monetary policy are conducted.

In particular, the student could focus on:

- Cryptocurrencies for Central Banks
- Finance and blockchains (and the economic limits of the Blockchain)
- DAO (Decentralized autonomous organization) applications for solving the ancient economic problem of the “Tragedy of the Common”

**Literature** Kick-off material based on:

- Iansiti, Marco, and Lakhani, Karim. (2017). The Truth about Blockchain (It will take years to transform business. The journey begins now). *Harvard Business Review* January-February 2017.
- [Article FT: Central banks explore blockchain to create digital currencies](#)
- [Article BIS \(Bank for International Settlements\): “central bank cryptocurrencies”](#)
- [Article Bank of Finland \(BoF Economic Review\): “The great illusion of digital currencies”](#)
- [Article BIS II: “Cryptocurrencies: looking beyond the hype”](#)
- [Article VOX Column: “Finance and blockchains”](#) (See also references cited in this article!)
- NBER Working Paper (No. 24717): [“The Economic Limits of Bitcoin and the Blockchain”](#) by Eric Budish
- [Article Blockchain \(DAO\): “Decentralized Sustainability”](#) (@ DS3Lab ETH Zurich)
- [Article Blockchain \(DAO\): “Plants Learn to Speak, Because Money Talks. A Blockchain Experiment”](#) (@ LAB-Mobgen)

**Supervisor** Dr. Davide Sala

## Brexit

**Description** Brexit has formally started but it is yet unclear (even to lead economists) where it is going to lead...

In particular, the student could focus on:

- The fundamental factors behind the Brexit vote
- Global Value Chain Disruption
- Soft vs. Hard Brexit: the state of negotiation
- Economic impact of Brexit

**Literature** Kick-off material based on [voxeu.org](http://voxeu.org):

- [Brexit vote I](#) (VOX Column)
- [Brexit vote II](#) (VOX Column)
- [GVC Disruption](#) (VOX Column)
- [Negotiation I](#) (VOX Column)
- [Negotiation II](#) (VOX Column)
- *Economic Impact I*: Aichele, R and G Felbermayr (2015), Costs and Benefits of a United Kingdom Exit from the European Union, Bertelsmann Stiftung.
- *Economic Impact II*: Ciuriak, D, J Xiao, N Ciuriak, A Dadkhah, D Lysenko and B Narayanan (2015), The Trade-related Impact of a UK Exit from the EU Single Market, Ciuriak Consulting Inc.
- *Economic Impact III*: Dhingra, S, H Huang, G Ottaviano, J P Pessoa, T Sampson and J Van Reenen (2017), “The Costs and Benefits of Leaving the EU: Trade Effects”, Economic Policy, forthcoming. [See also VOX Column](#)
- *Economic Impact IV*: Campos, N F, F Coricelli and L Moretti (2014), “Economic Growth and Political Integration: Estimating the Benefits from Membership in the European Union Using the Synthetic Counterfactuals Method”, CEPR Discussion Paper 9968.
- E-book: [Brexit Beckons: Thinking ahead by leading economists](#)
- Book: [What To Do With the UK? EU Perspectives on Brexit](#)

**Supervisor** Dr. Davide Sala

## The Eurozone crisis and the state of the European Monetary Union

**Description** The Eurozone crisis that started in 2010 has proved that Eurozone needs to be cemented. As the economic outlook of many of the countries more deeply affected by the crisis has improved, the crisis is no longer prominent in the media. It is rather in a dormant status, just awaiting for the spectre of financial turbulence to be awoken again. ...

The topic is very broad and current. The student could focus on some of the following aspects:

- “Rebooting” the Eurozone
- Lessons learned from the Eurozone crisis

*(Alternative: The student could be proposing to focus on the new Turkish crisis instead!)*

**Literature** These aspects are covered in the e-book “The Eurozone Crisis: A Consensus View of the Causes and a Few Possible Solutions”, by Richard Baldwin and Francesco Giavazzi which is available on [voxeu.org](http://voxeu.org).

Additional links:

- [voxeu: Rebooting the Eurozone: Step 1 – Agreeing a Crisis narrative](#)
- [voxeu: How to fix the Eurozone: Views of leading economists](#)
- [voxeu: The Eurozone crisis: Too few lessons learned](#)

**Supervisor** Dr. Davide Sala

## One Topic from our Bachelor Seminar “Global Production and its Watchdogs”

**Description** Issues related to multinational value chains, firms’ incentives to exploit international regulatory differences, consumers’ preferences for certain types of goods or production technologies, potential private politics and public politics responses.

**Literature** Click [here](#) for the list of topics and references.

**Supervisor** Susanne Keller & Nicolas Dietl