

# Trade and Labor Market Outcomes in Developing Countries



Swiss Programme for Research  
on Global Issues for Development

University of Geneva – African Center for Economic Transformation – Fundação Getulio Vargas – University of Nairobi – CIESS Econometrica - Universidad Mayor de San Andrés

## Problem

Globalization poses challenges and opportunities for developing countries.

Understanding the link between international trade and labor market holds the key to improvements in the lives of billions of persons living in developing and developed countries.

## Hypothesis

For gains from trade to occur, resources need to be reallocated from less to more productive activities.

In the presence of imperfect labor markets it is not clear that the gains from trade will be realized.

The relationship between international trade and labor market outcomes is complex and there are important complementarities between trade and labor market policies.

## Aim

Analyze the challenges and opportunities created by globalization in developing countries with particular emphasis on labor markets.

Highlight the importance played by public policies.

## Beneficiaries

Policy makers in developing countries working in trade and labor market policies: effective labor market reform, skill development, export promotion, and linking trade and labor issues in regional and multilateral trade agreements.

Academic researchers working in labor economics, international trade, and development economics.

## Project Overview

- **Module 1** - Global Trade Reforms with Labor Mobility Costs
- **Module 2** - Wages and Employment Gains from Exports: Evidence from Developing and Low-Income Countries
- **Module 3** - Trade and Unemployment in Developing Countries
- **Module 4** - Trade and Informal Labor Markets in Developing Countries
- **Module 5** - Making Globalization more Inclusive in Developing Countries: The Role of Skills Development, Transport Infrastructure and Export Promotion Policies in Employment and Wages
- **Module 6** – Policy Lessons: How Can Employment and Trade Policies Maximize the Opportunities and Cope with the Risks of Globalization in Developing Countries?

## Geographic Scope

Latin America



Sub-Saharan Africa



## Transboundary Research Partnership



## Funding

The Swiss Programme for Research on Global Issues for Development (r4d programme) is being implemented jointly by the Swiss Agency for Development and Cooperation (SDC) and the Swiss National Science Foundation (SNSF)

## Duration

Duration: 6 years  
Start of project: 01.02.2014

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