



CENTRO STUDI LUCA D'AGLIANO

**Fifth Luca d'Agliano Lecture
in Development Economics**

**DOES OUTSOURCING CHANGE
EVERYTHING?**

Paul R. Krugman

Professor of Economics and International Affairs
Woodrow Wilson School of Public and International Affairs,
Princeton University

*Jaime de Melo will remember Riccardo Faini
in his introduction to the Lecture*

Monday, June 11th 2007
5.30 p.m.

Fondazione Luigi Einaudi
Palazzo d'Azeglio
Via Principe Amedeo, 34
10123 Torino

*The activities of the Centro Studi Luca d'Agliano
in Torino are supported by the*

COMPAGNIA
di San Paolo

Paul R. Krugman

Paul Krugman, currently Professor of Economics and International Affairs at Princeton University, joined the New York Times as a columnist on the Op-Ed page in 1999. He has also taught at Yale, MIT and Stanford and served on the U.S Council of Economic Advisers.

His work focuses largely on international trade and finance. His major rethinking of the theory of international trade, otherwise known as his "new trade theory", has earned him an important professional reputation. In 1991, in recognition of this work, he was awarded the John Bates Clark Medal, a prize given every two years by the American Economic Association to an economist under forty.

Paul Krugman is the author or editor of dozens of books ("Peddling Prosperity", "International Economics: Theory and Policy"), and several hundred papers, (published in magazines and journals such as *Fortune*, *Slate*, *The Harvard Business Review*, *Foreign Affairs*, *The Economist*), a number of which are targeted to a broader public audience of non-economists.

Does Outsourcing Change Everything?

New types of international trade, generally grouped together under the catchall term "outsourcing", have been a source of considerable debate. Even sober economists suggest that they require a "new paradigm" for thought, and/or raise new questions about the beneficial character of trade.

Professor Paul R. Krugman suggests that outsourcing, if you think about it the right way, fits closely into existing paradigms. However, both hopes for and concerns about outsourcing have some real basis: the prospects for developing country exports are better than we realized, but so are the prospects for serious income distribution problems.

Programme

17.30 Welcoming Address

PIERO GASTALDO (General Secretary,
Compagnia di San Paolo)

GIORGIO BARBA NAVARETTI (Scientific
Director, Centro Studi Luca d'Agliano; Professor
of Economics, University of Milan)

**17.45 Remembering Riccardo Faini and Introduction
to Paul R. Krugman**

JAIME DE MELO (Professor of Economics,
University of Geneva)

**18.00 Fifth Luca d'Agliano Lecture in Development
Economics:
"Does Outsourcing Change Everything?"**

PAUL R. KRUGMAN (Professor of Economics
and International Affairs, Woodrow Wilson
School of Public and International Affairs,
Princeton University)

19.15 Debate

The Luca d'Agliano Lectures in Development Economics

The Luca d'Agliano Lectures in Development Economics are organised every year in Turin thanks to the generous support of the *Compagnia di San Paolo*. They aim at favouring the diffusion of the ideas of the best world thinkers in the field to a non specialised audience. The ultimate objective of the lectures is to help grounding the general debate on development issues, often confused and muddled, into sound economic analysis.

The past Luca d'Agliano lectures had all been conceived and introduced by Riccardo Faini. This year the Lecture will, in his memory, be opened by Jaime de Melo.

The First Luca d'Agliano Lecture, 2003

Pranab Bardhan (Professor of Economics, University of California, Berkeley):
“Globalisation and the Poor”

The Second Luca d'Agliano Lecture, 2004

Dani Rodrik (Professor of International Political Economy, Harvard University):
“Rethinking Economic Growth in Developing Countries”

The Third Luca d'Agliano Lecture, 2006

Jeffrey G. Williamson (Laird Bell Professor of Economics, Harvard University):
“Globalization and Underdevelopment in the Pre-Modern Third World”

The Fourth Luca d'Agliano Lecture, 2006

François Bourguignon (Chief Economist and Senior Vice President, World Bank; Professor of Economics, Ecole des Hautes Etudes en Sciences Sociales, Paris):
“Employment and Development: Good Jobs, Bad Jobs”

Luca d'Agliano

Luca d'Agliano was born in Turin on July 4th, 1961. In September 1980, he went up to Churchill College, University of Cambridge, where he read philosophy and then economics. On taking his Bachelor of Arts degree in 1983, he was awarded a scholarship by the *Fondazione Luigi Einaudi*, Turin, and was admitted to St. Anthony's College, University of Oxford. Here, under the guidance of Amartya Sen, he studied questions relating to developing countries and welfare economics.

It was Luca's vision that the study of economics should be “... be continually carried over into practical applications, above all when attempting to solve problems that limit the growth of man's well-being. For this substantially ideological reason, it becomes important to combine close study of purely theoretical matters with a study of the problems afflicting the developing countries in their struggle against poverty [...]”.

Nearly a year later, Luca d'Agliano lost his life in a road accident (June 1984).

Centro Studi Luca d'Agliano

The Centro Studi Luca d'Agliano was founded in Turin in 1986 by the family of Luca d'Agliano, his friends, and some of his teachers. It is currently located at the Fondazione Luigi Einaudi in Torino and at the University of Milan. It is a non-profit research institution contributing original research in the field of international and development economics. Particular emphasis is placed on the training of young scholars and in giving them the opportunity of acquiring a truly international perspective. The activities of the Centro Studi mainly focus on academic research, but it also greatly contributes to the policy debate, working for institutions such as the World Bank, the European Commission, the United Nations, the Bank of Italy and the Italian Government.

For information and replies

Simona Orlando
Centro Studi Luca d'Agliano
Palazzo d'Azeglio
Via Principe Amedeo, 34
10123 Torino

Tel: +39 011 836379 / 835656

Fax: + 39 011 8172078

e-mail: cs.agliano@emmebox.it

For further information on Professor Paul R. Krugman and on the Lecture, please refer to:

www.dagliano.unimi.it