



Leverhulme Centre
for Research on Globalisation and Economic Policy

**LEVERHULME CENTRE
FOR RESEARCH ON
GLOBALISATION AND
ECONOMIC POLICY**

**ANNUAL REPORT TO THE
LEVERHULME TRUST FOR 2001 ON
PROGRAMME GRANT F114/BF**

Professor David Greenaway,
University of Nottingham

ACKNOWLEDGEMENTS

The Programme of research on which this document reports would not be possible without the support of The Leverhulme Trust. That support is gratefully acknowledged, as is the personal interest and advice of the Trust's former and present Directors, Professor Barry Supple and Professor Sir Richard Brook, as well as the Programme's Adviser, Dr. David Vines.

A Visiting Panel comprising Professor Barry Supple, Professor John Sutton and Professor David Stout visited the Centre in April 2001 to conduct a mid-term review of its first Programme Grant. The feedback from that visit was extremely helpful and encouraging.

Financial support from the University of Nottingham Research Committee towards the co-funding of the Centre's PhD students is also gratefully acknowledged.

Professor David Greenaway
January 2002

**LEVERHULME CENTRE FOR RESEARCH ON
GLOBALISATION AND ECONOMIC POLICY (GEP):
ANNUAL REPORT TO THE LEVERHULME TRUST
FOR 2001**

CONTENTS

- A. Executive Summary
- B. Internal Fellows
- C. External Fellows
- D. Research Programmes
- E. Published Output
- F. Conferences and Seminars
- G. User Engagement and Outreach
- H. GEP Research Students
- I. Management of GEP
- J. Outlook for 2002

Appendix 1 – GEP Research Papers in 2001

Appendix 2 – Published Output of Internal Fellows

Appendix 3 – May 2001 GEP Conference Programme

Appendix 4 – June 2001 GEP Conference Programme

Appendix 5 – Seminars at Nottingham

Appendix 6 - Work presented at Conferences and Seminars by Internal Fellows

GEP Contacts

A. EXECUTIVE SUMMARY

1. The **Leverhulme Centre for Research on Globalisation and Economic Policy (GEP)** was established in January 2001 following the second award of a Leverhulme Programme Grant in autumn 2000. It subsumes the former **Centre for Research on Globalisation and Labour Markets (GLM)** which operated from 1998 to 2000.
2. The Trust's Director, Professor Barry Supple, and the University's Vice-Chancellor, Professor Sir Colin Campbell, formally launched the Centre at a Reception held at the University on 28th June. Overall, 2001 has proved to be an extremely successful year with continued growth in research activity, published output and dissemination initiatives.
3. The **Leverhulme Centre** undertakes research on three Programmes: *Globalisation and Labour Markets* (which was inherited from GLM); *Internationalisation of Economic Policy*; and *Globalisation, Productivity and Technology*.
4. The *Globalisation and Labour Markets* Programme is structured around two inter-linked strands: foreign direct investment and labour market adjustment. The foreign direct investment (FDI) strand of research has concentrated on two themes: the relationship between trade and FDI and the impact of inward investment on the host country. The labour market adjustment strand has progressed on three main themes: measuring and tracking adjustment in the labour market; adjustment and labour mobility; trade and employment.
5. The *Internationalisation of Economic Policy* Programme involves a range of Internal and External fellows. Research is presently underway on evaluating the economic impact of a range of border and non-border measures. This includes work on tariff barriers, rules of origin, merger policy, competition policy and environmental regulation.
6. The *Globalisation, Productivity and Technology* Programme is the newest strand of activities. Its purpose is to explore links between trade, cross-border investment and productivity growth. Recent work includes research on the international transmission of productivity spillovers, the impact of

multinationals on intra-industry spillovers and exporting and business performance.

7. The Centre published 38 papers in the ***GEP Research Papers*** series during the year. Moreover, we are delighted to report that a growing number of ***GEP Research Papers*** are now appearing in leading peer reviewed journals including the *International Economic Review*, *Economic Journal*, *Journal of International Economics*, *Canadian Journal of Economics* and *European Economic Review*.
8. Twenty-four seminars were hosted by the Centre, mostly led by visiting speakers. These have proved to be an excellent vehicle for networking, raising the visibility of the Centre and raising the awareness of Centre personnel with regard to leading edge work underway elsewhere. In addition, **GEP** hosted two major conferences at Nottingham in May and June.
9. The resource base and research activities of the Centre have been augmented by success in a number of research competitions and outreach activity has been enhanced by involving colleagues from the policy making community in our Conferences and organising round table agenda-setting discussions.
10. This year has seen the first turnover of those Research Fellows appointed under the **GLM** Programme: Richard Upward was appointed to a Lectureship in the University of Nottingham in September and Michelle Haynes to a Lectureship at Warwick University in January 2002. Two new Research Fellows took up appointments during the year: Dr Joanne Lindley (from Manchester Metropolitan University) and Dr Richard Kneller (from the National Institute of Economic and Social Research). In addition three new full-time appointments were made in December and will take up their posts in 2002 and one existing Research Fellow (Sourafel Girma) was appointed for a further four years. December also saw the appointment of the new Leverhulme Professor of Economics (Professor Gareth Myles from Exeter University) who will take up his post in August 2002.
11. Capacity building was an objective of the original Programme Grant and our first PhD students have moved on: Hugh Metcalfe was appointed to a Lectureship at Newcastle University; Niven Winchester to a fixed term Lectureship at Otago University; Nuno Sousa to a research internship at the European Central Bank in Frankfurt. Desiree van Welsum was appointed to a

Research Officer position at the National Institute for Economic and Social Research, and has transferred her PhD registration to Birkbeck College

B. INTERNAL FELLOWS

12. The cadre of Internal Research Fellows comprises the grant holders, Post Doctoral Research Fellows and Research Associates who are full-time researchers in the Centre and a number of other Nottingham based colleagues whose research is focused in **GEP**. In 2001 we appointed a new Lecturer, Bouwe Dijkstra, two new full-time Post-Doctoral Research Fellows, Richard Kneller and Joanne Lindley and a Research Assistant, Mauro Pisu. We also added several new Fellows from the School of Economics whose research interests map into those of the Centre: Marta Aloï, Spiros Bougheas and Richard Upward. The full list of Internal Fellows comprises:

Professor David Greenaway (Director)	Professor of Economics
Dr Marta Aloï	Lecturer in Economics
Ms Olga Babouchkina	Research Assistant
Dr Spiros Bougheas	Lecturer in Economics
Dr Bouwe Dijkstra	Leverhulme Lecturer
Professor Richard Disney	Professor of Labour Economics
Professor Alan Duncan	Professor of Microeconometrics
Professor Rod Falvey	Professor of International Trade
Dr Sourafel Girma	Research Fellow
Dr Holger Görg	Research Fellow
Dr Michelle Haynes	Research Fellow
Mr Bob Hine	Senior Lecturer in Economics
Dr Richard Kneller	Research Fellow
Dr Joanne Lindley	Research Fellow
Professor Chris Milner	Professor of International Economics
Mr Mauro Pisu	Research Assistant
Mr Geoff Reed	Reader in Economics
Professor Donald Siegel	Professor of Industrial Economics
Dr Richard Upward	Lecturer in Economics
Dr Katharine Wakelin	Research Fellow
Dr Peter Wright	Senior Lecturer in Economics
Dr. Zhihao Yu	Leverhulme Lecturer

13. This is already an extremely strong team which will be further strengthened by the appointment of three more full-time Post-Doctoral Research Fellows and a new Professor.

C. EXTERNAL FELLOWS

14. A number of External Fellows have been appointed to the Centre to help build critical mass, enhance the **GEP** resource base and internationalise the Research Programme. In 2001 we appointed four new External Fellows, namely Carl Davidson (Michigan State University), Steven Matusz (Michigan State University), Pascalis Raimondos-Møller (University of Copenhagen) and Constantinos Syropoulos (Florida International University). The full network now comprises:

Dr Mary Amiti, University of Melbourne
Dr Martyn Andrews, University of Manchester
Dr Marius Brühlhart, Lausanne University
Professor Carl Davidson, Michigan State University
Dr Karolina Ekholm, Stockholm School of Economics
Professor Jonathan Haskel, Queen Mary and Westfield College
Dr Sébastien Jean, CEPPII, Paris
Professor Peter Lloyd, University of Melbourne
Professor Steven Matusz, Michigan State University
Dr Robin Naylor, University of Warwick
Professor Doug Nelson, Tulane University, New Orleans
Professor Pascalis Raimondos-Møller, University of Copenhagen
Professor Matthew Slaughter, Dartmouth College
Professor Constantinos Syropoulos, Florida International University
Professor Matthew Tharakan, Antwerp University
Professor Steve Thompson, University of Leicester
Dr José Torres, University of Malaga
Professor Rod Tyers, Australian National University
Professor Hylke Vandenbussche, Leuven University

15. During 2001 we enjoyed visits from Andrews, Brühlhart, Davidson, Ekholm, Jean, Matusz, Nelson, Thompson and Vandenbussche, and a number published work in the ***GEP Research Papers*** series (Amiti, Brühlhart, Davidson, Matusz, Nelson, Thompson).

D. RESEARCH PROGRAMMES

16. From the outset our research agenda has been targeted at investigating key aspects of globalisation. Organisationally, our work is structured around three Programmes: *Globalisation and Labour Markets*; *Internationalisation of Economic Policy*; and *Globalisation, Productivity and Technology*.

GLOBALISATION AND LABOUR MARKETS PROGRAMME

17. The *Globalisation and Labour Markets* Programme is structured around two inter-linked strands: foreign direct investment and labour market adjustment. With regard to FDI, research has focused on the links between cross-border investment and trade and in particular whether they are complements or substitutes; and on the impact of FDI on host economies. A particularly rich vein of research has been the use of large firm level databases to investigate how multinationals affect the productivity, exports and training of domestic firms.
18. Work on labour market adjustment includes comparative analysis of worker movement in the UK compared with the US and Germany; the role of education and other factors (e.g. the housing market) on labour mobility; the impact of trade on wages and employment; the impact of international competition on wages; ethnicity and labour market outcomes.

INTERNATIONALISATION OF ECONOMIC POLICY PROGRAMME

19. A new *Internationalisation of Economic Policy* Programme has been launched with the establishment of **GEP**. This involves a number of full-time researchers as well as colleagues in the School of Economics. Areas where work is underway include aspects of the WTO agenda (including mergers and takeovers in an international environment and anti-dumping activity; international environmental regulation (including the Kyoto Agreement); policy aspects of e-commerce; policy transfer. The last of these has been targeted as the focus for our 2003 Conference.

GLOBALISATION, PRODUCTIVITY AND TECHNOLOGY PROGRAMME

20. 2001 also saw the initiation of the new *Globalisation, Productivity and Technology* Programme. Initial projects here have addressed: links between exporting and productivity growth; differences in the characteristics of export and non-exporting firms; foreign acquisition and productivity growth. This promises to be a rich vein for research and is already proving to be of considerable interest to the policy-making community.
21. More detailed information on all of these Programmes is available on the Centre's website at: www.nottingham.ac.uk/economics/leverhulme/research

E. PUBLISHED OUTPUT

22. **GEP** researchers have made full use of the *GEP Research Papers* series and 38 were published by the Centre in 2001. This has a circulation list of around 150 and generates very positive user feedback. All *GEP Research Papers* can also be downloaded electronically from the Centre's website and increasing use is being made of this facility. The full list of 2001 Papers is set out in Appendix 1.
23. A key objective of the Centre is to publish research findings of the core research staff in high quality, internationally visible research outlets in order to have an impact both on the way in which other researchers think about and analyse Globalisation issues and to help shape thinking on policy. In 2001 papers have appeared *inter alia* in the *Canadian Journal of Economics*, *Journal of Development Economics*, *Economic Journal*, *European Economic Review*, *Labour Economics*, *The Manchester School* and *Scandinavian Journal of Economics*. We are also ensuring that researchers are encouraged to publish in leading policy based journals, like the *Oxford Review of Economic Policy* and *The World Economy* to reach a wider audience in business and government. A full list of papers published by Internal Fellows in 2001 is set out in Appendix 2.
24. In 2001 two major volumes were also published: David Greenaway and Douglas Nelson assembled and edited many of the key papers in the literature which were published by Edward Elgar in a 1,000-page two volume set entitled *Globalisation and Labour Markets*. The papers from our 1999 Conference were published in a

volume by Blackwell (edited by Kwan Choi and David Greenaway), also entitled *Globalisation and Labour Markets*.

F. CONFERENCES AND SEMINARS

25. The Centre hosts an active and full seminar programme which runs weekly during term time. As well as providing a forum for presenting work in progress, the series also offers a platform for outside speakers visiting **GEP**. During the year we hosted 24 seminars, 17 being led by speakers from outside Nottingham. Full details are set out in Appendix 5.
26. In May and June we hosted conferences on '*Intra-Industry Trade and Labour Market Adjustment*' and '*Foreign Direct Investment and Economic Integration*' respectively. The Conference Programmes are set out in Appendices 3 and 4. As can be seen, both attracted an excellent range of speakers from Europe and the US. The quality of the papers presented is such that, following refereeing, some of the papers from the May conference are being published as a special issue of the *Weltwirtschaftliches Archiv* in June 2002 and some from the June conference are being published as a special issue of *The Manchester School* in summer 2002.
27. With the build-up of research activity, there has been a growing volume of work on which to report and growing participation by researchers in conferences and seminars. Appendix 6 lists the presentations made by **GEP** Internal Research Fellows.

G. USER ENGAGEMENT AND OUTREACH

28. Clearly **GEP** research has to survive the closest professional scrutiny and our publication strategy and conference/seminar activity is targeted to that end. In addition, however, we regard it as a priority to make serious efforts to engage appropriate user communities. In 2001 we have:
 - Involved colleagues from user communities in our annual conference (e.g. colleagues from the DTI, European Commission, European Central Bank

and Australian Trade Commission acted as Discussants at our June Conference);

- Hosted a number of public lectures, including *The World Economy Annual Lecture* (given by Professor Dr Horst Siebert of the Institut für Weltwirtschaft, Kiel);
- Presented papers at fora with a strong user involvement (e.g. at IFS, NIESR, DTI and United Nations);
- Presented to appropriate private sector organisations (e.g. Experian);
- Included a wide range of users in our mailbase for ***GEP Research Papers*** and Newsletters;
- Arranged bilateral fora with users (e.g. DTI on inward investment);
- Presented written and oral evidence to the House of Lords Enquiry into Globalisation.

29. A major push on this front is planned for 2002, with several new initiatives including the launch of the **Leverhulme Globalisation Lectures** and the establishment of a **Policy Forum**.

H. GEP RESEARCH STUDENTS

30. There are currently five **GEP** PhD students co-funded by the Programme Grant and the University working on issues related to globalisation; and four more who are about to submit:
31. *Michael Henry* is examining the relationship between total factor productivity (TFP) growth and openness at an aggregate country level. In addition to the traditional measures of openness commonly used in the literature he also intends to investigate the impact of natural barriers to trade on TFP growth.
32. *Kittipong Jangkamolchaikul* is undertaking a PhD thesis on the optimal level of FDI for developing countries. He is particularly interested in the mechanism for technology transfer from multinationals to indigenous firms.
33. *Baboo Nowbutsing* is undertaking a PhD thesis on the impact of international trade on wages. The primary objective of the study is to test existing theories explaining the link between international trade and wages, through the application of experimental economics.

34. *Satiarsingh Ragoobur* is examining the impact of foreign competition on wage setting in the UK. Research is focusing on the effects of import competition on union wage differentials, how international competition affects wages, especially wages negotiated between unions and firms.
35. *Sarut Wittayarungruang* has begun work on anti-dumping, both its determinants and economic effects.
36. The first cohort of PhD students has now completed and some have moved on to positions elsewhere. Hugh Metcalf took up a Lectureship at the University of Newcastle and will soon submit his thesis on 'Exchange Rate Pass Through'. Nuno Sousa has completed a PhD on 'Host Country Effects of Multinationals' and should graduate in July 2002. Having completed a nine-month Internship at the European Central Bank, he is hoping to take up an academic position. Niven Winchester is about to submit a thesis on 'Trade, Technology and Wages: A Computable General Equilibrium Analysis'. He has taken up a Lectureship at the University of Otago. Desiree van Welsum, who was working on 'Trade and Foreign Direct Investment in the Service Sector', has taken up a Research Officer position at the National Institute of Economic and Social Research and has transferred her registration to Birkbeck College, University of London.

I. MANAGEMENT OF GEP

37. David Greenaway has overall responsibility for the management of the Centre, as Director. He is supported by a full-time Administrator, Susan Berry, and a Management Committee. The latter comprises: the Director; Administrator, two Professors in the School whose research is focused on the Centre; one of the full-time Post Doctoral Research Fellows; and one of the Internal Fellows from the School. This Committee meets monthly and is responsible for both research strategy and operational issues. The Director also has a monthly meeting with all of the Research Fellows in the School in order to ensure they are fully informed.
38. There is an annual research retreat for the Centre when researchers, together with some of the External Fellows, review and up-date research strategy and

dissemination and outreach activities. Between these research retreats there are periodic briefing sessions from the different Programmes within the Centre.

39. Budgetary support is provided by the University's Research Support Office, the Centre Administrator and the School's Accounts Officer.

J. OUTLOOK FOR 2002

40. 2001 was effectively the first full year of GEP. The activity recorded in this Report confirms that it made an excellent start. Prospects for 2002 look very promising with a new Professor and a cadre of new researchers joining the series of research programmes which are already up and running. In May, research activity will be subject to its annual review (which will involve some external input).
41. New initiatives with regard to outreach that are planned include the establishment of a Policy Forum, with a group of high profile Policy Associates who will be involved with the Centre and its activities; an expansion of the External Fellowship programme to extend the network of international researchers; a re-launched *GEP Newsletter* and website; and a series of new research projects. Two major international Conferences are also planned, the publication of a further major volume and continued growth in the number and circulation of *GEP Research Papers*.

APPENDIX 1

GEP Research Papers published in 2001

- 2001/1 **M. Brülhart and F. Trionfetti**, “Public Expenditure and International Specialisation”
- 2001/2 **S. Barrios, M. Brülhart, R. Elliott and M. Sensier**, “A Tale of Two Cycles: Co-Fluctuations Between UK Regions and the Euro Zone”
- 2001/3 **P. Neary**, “Competition, Trade and Wages”
- 2001/4 **C. Davidson and S. Matusz**, “Globalization, Employment, and Income: Analyzing the Adjustment Process”
- 2001/5 **M. Burda and B. Dluhosch**, “Fragmentation, Globalization and Labor Markets”
- 2001/6 **D. Davis and T. Reeve**, “Human Capital, Unemployment, and Relative Wages In a Global Economy”
- 2001/7 **H. Görg and E. Strobl**, “Footloose Multinationals?”
- 2001/8 **N. Schmitt and Z. Yu**, “Economies of Scale and the Volume of Intra-Industry Trade”
- 2001/9 **Z. Yu**, “A Strategic Trade and Environmental Policy Argument For the Kyoto Protocol”
- 2001/10 **N. Schmitt and Z. Yu**, “Horizontal Intra-Industry Trade and the Growth of International Trade”
- 2001/11 **S. Girma and K. Wakelin**, “Regional Underdevelopment: Is FDI the Solution? A Semiparametric Analysis”
- 2001/12 **M. Amiti and K. Wakelin**, “Investment Liberalisation and International Trade”
- 2001/13 **Y. Chen, J. Ishikawa and Z. Yu**, “Trade Liberalization and Strategic Outsourcing”
- 2001/14 **R. Falvey**, “Tariffs and Mergers in an Integrated Market”
- 2001/15 **J. Lindley**, “The English Language Fluency and Earnings of Ethnic Minorities in Britain”
- 2001/16 **S. Bougheas, H. Görg and E. Strobl**, “Is R&D Financially Restrained? Theory and Evidence from Irish Manufacturing”
- 2001/17 **Z. Yu**, “Entrepreneurship and Intra-Industry Trade”
- 2001/18 **S. Girma and H. Görg**, “Blessing or Curse? Domestic Plants’ Survival and Employment Prospects After Foreign Acquisition”
- 2001/19 **A. Link, D. Paton and D. Siegel**, “An Econometric Analysis of Trends in Research Joint Venture Activity”
- 2001/20 **S. Girma**, “The Process of European Integration and the Determinants of Entry by non-EU Multinationals in UK Manufacturing”
- 2001/21 **D. Paton, D. Siegel and L. Vaughan Williams**, “A Policy Response to the E-Commerce Revolution: The Case of Betting Taxation”
- 2001/22 **H. Görg and K. Wakelin**, “The Impact of Exchange Rate Variability on US Direct Investment”

- 2001/23 **A. Caplan, R. Cornes and E. Silva**, “How Effective and Efficient Can the Kyoto Protocol Be in Controlling Carbon Dioxide Emissions?”
- 2001/24 **C. Davidson and S. Matusz**, “On Adjustment Costs”
- 2001/25 **F. Barry, H. Görg and E. Strobl**, “Foreign Direct Investment, Agglomerations and Demonstration Effects: An Empirical Investigation”
- 2001/26 **M. Aloï and T. Lloyd-Braga**, “Unions, International Factor Mobility and Indeterminacy”
- 2001/27 **S. Barrios, H. Görg and E. Strobl**, “Explaining Firms’ Export Behaviour: The Role of R&D and Spillovers”
- 2001/28 **N. Gaston and D. Nelson**, “The Employment and Wage Effects of Immigration: Trade and Labour Economics Perspectives”
- 2001/29 **D. Greenaway and D. Nelson**, “Globalisation and Labour Markets: Literature Review and Synthesis”
- 2001/30 **R. Falvey and M. Nathananan**, “Tariffs, Quotas and Mergers”
- 2001/31 **N. Gaston and D. Nelson**, “Integration, FDI and Labour Markets: Microeconomic Perspectives”
- 2001/32 **O. Morrissey and D. Nelson**, “The Role of the WTO in the Transfer of Policy Knowledge on Trade and Competition”
- 2001/33 **H. Görg, A. Hijzen and R. C. Hine**, “International Fragmentation and Relative Wages in the UK”
- 2001/34 **F. Hubert and N. Pain**, “Fiscal Incentives, European Integration and The Location of Foreign Direct Investment”
- 2001/35 **N. Adnett, S. Bougheas and Y. Georgellis**, “On The Trade-off Between Work-related Training and Labor mobility: The Role of Firing and Exit Costs”
- 2001/36 **D. Nelson and Y. Xu**, “Normative Migration Theory: A Social Choice Theoretic Approach”
- 2001/37 **H. Görg and D. Greenaway**, “Foreign Direct Investment and Intra-Industry spillovers: A Review of the Literature”
- 2001/38 **R.J.R. Elliott and J. Lindley**, “Intra-Sectoral Labour Mobility and Adjustment Costs”

APPENDIX 2

GEP Related Published Output of Internal Fellows in 2001

Papers in Refereed Journals

- Andrews, M.**, Bradley, S. and **Upward, R.**, (2001), Estimating the probability of a match using micro-econometric data for the youth labour market, *Labour Economics*, Vol.8, pp.335-357
- Bleaney, M., Gemmell, N. and **Kneller, R.**, (2001), Testing the Endogenous Growth Model: Public Expenditure, Taxation and Growth over the Long-Run, *Canadian Journal of Economics*, Vol.34, pp. 36-57
- Bleaney, M. and **Greenaway, D.**, (2001), The Impact of Terms of Trade and Real Exchange Rate Volatility on Investment and Growth in Sub-Saharan Africa, *Journal of Development Economics*, Vol. 65, pp.491-500
- Conyon, M., **Girma, S.**, Thompson, S. and **Wright, P.**, (2001), Do hostile mergers destroy jobs? *Journal of Economic Behavior and Organization*, Vol. 45, pp. 427-440
- Dijkstra, B.**, Graichen, P. R., and Requate, T., (2001), How to win the political contest: A monopolist vs environmentalists, *Public Choice*, Vol. 108, pp. 273-293
- Dijkstra, B.** and Haan, M., (2001), Sellers' hedging incentives at EPA's emission trading auction, *Journal of Environmental Economics and Management*, Vol. 41, pp. 286-294
- Girma, S.**, (2001), A note on dynamic modelling from short and heterogeneous pseudo panels, *Statistica Neerlandica*, Vol.55, pp.238-247.
- Girma, S.**, **Greenaway, D.** and **Wakelin, K.**, (2001), Who benefits from Foreign Direct Investment in the UK? *Scottish Journal of Political Economy*, Vol.49, pp.119-133
- Görg, H.** and Ruane, F., (2001), Multinational Companies and Linkages: Panel-Data Evidence for the Irish Electronics Sector, *International Journal of the Economics of Business*, Vol.8, pp. 1-18
- Görg, H.** and Strobl, E., (2001), Multinational Companies and Productivity Spillovers: A Meta-Analysis, *Economic Journal*, Vol. 111, pp. F723-F739
- Görg, H.** and Strobl, E., (2001), Capital Structure and Labour Demand: Further Evidence, *Applied Economics Letters*, Vol.8, pp. 719-723
- Greenaway, D.**, Lloyd, P. and **Milner, C.**, (2001), New concepts, and measures of the globalisation of production, *Economics Letters*, Vol.73, pp.57-63
- Kneller, R.** and Young, G., (2001), Business Cycle Volatility, Uncertainty and Economic Growth, *The Manchester School*, Vol. 69, pp. 534-552
- Kneller, R.** and Young, G., (2001), The New British Economy, *National Institute Economic Review*, July.

- Leslie, D. and **Lindley, J.**, (2001), The Impact of Language Ability on the Employment and Earnings of Britain's Ethnic Communities, *Economica*, Vol.68, pp. 587-606
- Leslie, D., **Lindley, J.** and Thomas, R., (2001), Decline and Fall: Unemployment among Britain's Non-White Ethnic Communities 1963-1998, *Journal of Royal Statistical Society*, Series A 164, pp.371-387
- Link, A., and **Siegel, D.**, (2001), Unions and Technology Adoption: A Qualitative Analysis of the Use of Real Time Control Systems in U.S. Coal Firms, *Journal of Labor Research*.
- Morrison Paul, C. and **Siegel, D.**, (2001), The Impacts of Technology, Trade, and Outsourcing on Employment and Labor Composition, *Scandinavian Journal of Economics*, Vol.103, pp. 241-264
- Schmitt, N. and **Yu, Z.**, (2001), Economies of Scale and the Volume of Intra-Industry Trade, *Economics Letters*, Vol. 127-132.

Books, Edited Volumes and Chapters in Books

- Choi, K. and **Greenaway, D.** (eds.), (2001), *Globalisation and Labour Markets*, Blackwell, pp. 216.
- Dijkstra, B.** and Heyes, A., (2001), Interest groups and the demand for environmental policy, in: T. Tietenberg and H. Folmer (eds), *International Yearbook of Environmental and Resource Economics 2001/2002*, Edward Elgar (Cheltenham), pp. 150-178
- Falvey, R.**, (2001), Revenue Enhancing Tariff Reform, *Weltwirtschaftliches Archiv*, Volume 130, 1994, pp 175-190. Reprinted in *The Theory of Trade Policy Reform*, Carsten Kowalczyk (ed.) Edward Elgar.
- Falvey, R.** and Reed, G., (2001), Trade Liberalisation and Technology Choice, in *Globalization and Labor Markets*, E. K. Choi and D. Greenaway (eds.) Blackwell.
- Girma, S., Greenaway, D.**, Sousa, N. and **Wakelin, K.**, (2001), Host Country Effect of FDI in the UK: Recent Evidence from Data, in N. Pain (ed) *Inward Investment, Technological Change and Growth: The Impact of Multinational Corporations on the UK Economy*, Palgrave, pp.104-121.
- Greenaway, D.** and Dabee, R. (eds), (2001), *The Mauritian Economy: A Reader*, Macmillan, pp.296.
- Greenaway, D.**, Lloyd, P. and **Milner, C.**, (2001), Intra industry FDI and trade flows: new measures of globalisation of production, in (eds) L. Cheng and H. Kierzkowski, *Global Production and Trade in East Asia*. Kluwer, pp.111-128.
- Greenaway, D.** and **Milner, C.**, (2001), Multilateral Trade Policy Reforms Under GATT/WTO, in S. Lahiri (ed) *Regionalism and Multilateralism*, London, Routledge, pp. 144-169.

- Greenaway, D. and Milner, C.**, (2001), Intra-industry trade and the C-H-O model: reinterpreting the evidence, in (eds) P. Lloyd and Y. Lee *Frontiers of Research on Intra-Industry Trade*, Macmillan
- Greenaway, D. and Nelson, D.** (eds), (2001), *Globalisation and Labour Markets Vols. 1 and 2*, Edward Elgar, pp. 1068.
- Greenaway, D. and Nelson, D.**, (2001), Globalisation and Labour Markets: A Review of the Literature, in D. Greenaway and D. Nelson (eds) *Globalisation and Labour Markets*, Vols. I and II. Edward Elgar, pp. Ix-li.
- Greenaway, D., Upward, R. and Wright, P.**, (2001), Sectoral mobility in UK and US labour markets. In *Creating an Internationally Competitive Economy*, H.Bloch and P.Kenyon (eds.), Palgrave, 2001.
- Haynes, M., Upward, R. and Wright, P.**, (2001), Smooth and Sticky adjustment : A comparative analysis of the US and UK. In *Globalisation and Labour Markets*, K. Choi and D.Greenaway (eds), Oxford: Blackwells.
- Hine, R.C. and Padoan, P. C.**, (2001), External Trade Policy and Cohesion. In *Cohesion and Competition in EU Policies*, L. Tsoukalis, A. Smith and R. Hall (eds.) Oxford University Press.
- Milner, C.**, (2001), Measuring trade liberalisation in Africa, in (ed.) W.O. Morrissey and M. McGillivray *Evaluating Economic Liberalisation*, Macmillan.
- Milner, C.**, (2001), International trade and trade policy, in (eds.) D. Greenaway and R. Dabee, *The Mauritian Economy*, Macmillan
- Milner, C. and Wright, P.**, (2001), Labour market adjustment, in (eds) D. Greenaway and R. Dabee, *The Mauritian Economy*, Macmillan
- Milner, C., Morrissey, O. and Rudaheeranwa, N.**, (2001), Policy and non-policy barriers to trade and implicit taxation of exports in Uganda, in (eds) W.O. Morrissey and I. Filatochev, *Globalisation and Trade: Implications for Marginalised Economies*, Cass.
- Ruane, F. and Görg, H.**, (2001), Globalisation and Fragmentation: Evidence for the Electronics Industry in Ireland, in Arndt, S. and H. Kierzkowski (eds.): *Fragmentation: New Production Patterns in the World Economy*, Oxford University Press, pp. 144-164.
- Schmitt, N. and Yu, Z.**, (2001), Horizontal Intra-industry Trade and the Growth of International Trade, P. Lloyd and Y. Lee (eds.) *Frontiers of Research on Intra-industry Trade*, Macmillan.
- Siegel, D., Thursby, J., Thursby, M. and Ziedonis, A.**, (2001), Organizational Issues in University-Industry Technology Transfer: An Overview of the Symposium Issue, *Journal of Technology Transfer*, Vol.26, pp. 5-11.

APPENDIX 3

Leverhulme Research Centre
School of Economics, University of Nottingham

Workshop on Recent Developments in Research on

***Intra-Industry Trade and
Labour Market Adjustment***

at the University of Nottingham,
18th and 19th May, 2001

in Room C4/5, Portland Building, University Park, University of Nottingham

P r o g r a m m e

Friday 18th May

- 1.45 p.m.** **Welcome (Bob Hine)**
- 2.00 p.m.** *“Economies of Scale and the Volume of Intra-Industry Trade”*, Nicolas Schmitt (Simon Fraser University) and Zhihao Yu (University of Nottingham)
- 2.45 p.m.** *“Demand Patterns and Vertical Intra-industry Trade, with Special Reference to North-South Trade”*, Joakim Gullstrand (Lund University)
- 4.00 p.m.** *“Vertical Specialisation and Intra-Industry Trade: the Role of Factor Endowments”*, Joan Martín and Vicente Orts (Universitat Jaume I)
- 4.45 p.m.** *“The Role of Comparative Advantage in Trade within Industries: a Panel Data Approach for the European Union”*, Carmen Díaz (Universidad de Castilla-La Mancha)

Saturday 19th May

- 9.30 a.m.** *“Intra Industry Trade as an Indicator of Labour Market Adjustment”*, Doug Nelson (Tulane University)

- 10.15 a.m.** *“Job Turnover in French Manufacturing: What's Trade Got To Do With It?”*, Marius Brühlhart (Lausanne University)
- 11.30 a.m.** *“Dynamics and Nature of Intra-Industry Trade and Labour-Market Adjustment: Evidence for Spain”*, Vicente Blanes (Universitat Autònoma de Barcelona) and Carmela Martín (Universidad Complutense de Madrid)
- 2.00 p.m.** *“The Impact of Trade on Labour Markets: Does Intra-industry Trade Matter?”*, Bob Hine, Peter Wright (University of Nottingham) and Vicente Blanes (Universitat Autònoma de Barcelona)
- 2.45 p.m.** *“Labour-Market Effects of Intra-Industry Trade: Evidence for the United Kingdom”*, Robert Elliott (University of Manchester)
- 4.00 p.m.** *“Adjustment, Training and Labor Market Turnover”*, Carl Davidson (Michigan State University)
- 4.45 p.m.** *“Adjustment, Employment Characteristics and Intra-Industry Trade”*, David Greenaway, Michelle Haynes and Chris Milner (University of Nottingham)
- 5.30 p.m.** Workshop close

APPENDIX 4

**Leverhulme Research Centre,
School of Economics, University of Nottingham**

Conference on
Foreign Direct Investment and Economic Integration

Lenton and Wortley Hall, University of Nottingham
June 29th - 30th 2001

Friday 29th June

9.00 a.m. – 9.15 a.m. Conference opening: David Greenaway

9.15 a.m. – 11.15 a.m.

“Integration, FDI and Labour Markets: Microeconomic Perspectives”, Doug Nelson
(Tulane University)

Discussant: Tim Harcourt (Australian Trade Commission)

“Competition for Multinational Activity in Europe: The Role Played by Wages and Market Size”, Karolina Ekholm (Stockholm School of Economics)

Discussant: Eric Strobl (University College Dublin)

11.45 a.m. – 12.45 p.m.

“On the Benefits of Foreign Direct Investment: A panel data approach”, Nauro Campos (University of Newcastle, CEPR)

Discussant: Richard Upward (University of Nottingham)

2.00 p.m. – 4.00 p.m.

“The impact of exchange rate variability on US direct investment”, Holger Görg and Katharine Wakelin (University of Nottingham)

Discussant: Robert Anderton (European Central Bank)

“International capital mobility, public infrastructure and the effects of labour migration”, Frank Barry (University College Dublin)

Discussant: Catia Montagna (University of Dundee)

4.30 p.m. – 5.30 p.m.

“European Integration and the Determinants of Entry by non-EU Multinationals in U.K Manufacturing”, Sourafel Girma (University of Nottingham)

Discussant: Nigel Driffield (University of Birmingham)

Saturday 30th June

9.15 a.m. – 11.15 a.m.

“Fiscal incentives, European integration and the location of foreign direct investment”, Nigel Pain (NIESR)

Discussant: Peter Wright (University of Nottingham)

“Intra- and inter-industry linkages in foreign direct investment: Evidence from Japanese investment in Europe”, Horst Raff (University of Kiel)

Discussant: Sébastien Jean (OECD)

11.45 a.m. – 12.45 p.m.

“Product market competition, efficiency and agency costs: an empirical analysis”, Rachel Griffith (IFS)

Discussant: Michelle Haynes (University of Nottingham)

2.00 p.m. – 4.00 p.m.

“Undertakings and Antidumping Jumping FDI in Europe”, Reinhilde Veugelers (Catholic University of Leuven and CEPR)

Discussant: Maurice Kugler (University of Southampton)

“Antidumping and foreign divestment”, René Belderbos (Maastricht University)

Discussant: Adriaan Dierx (Economic and Financial Affairs, European Commission)

4.30 p.m. – 5.30 p.m.

“FDI and the Single Market”, Peter Neary (University College Dublin)

Discussant: Rod Falvey (University of Nottingham)

APPENDIX 5

Seminars hosted by GEP in 2001

Doug Nelson (Tulane University)

“Intra-Industry Trade as an Indicator of Labour Market Adjustment”

Nigel Driffield (University of Birmingham)

“FDI, transactions linkages, and the performance of the domestic sector”

Ian Wooton (University of Glasgow)

“Risk and Competition for Multinational Investment”

Michael Bleaney and Katy Wakelin (University of Nottingham)

“Efficiency, Innovation and Exports”

Karolina Ekholm (Stockholm School of Economics)

“Relative wages and trade-induced changes in technology”

Shelton Nicholls (University of West Indies - visiting Nottingham)

“Evaluating the Fiscal Impact of a Regional Partnership Agreement between the European Union and CARICOM”

Cillian Ryan (University of Birmingham)

“Licensing, Mergers, Acquisitions and Trade Policy”

Salvador Barrios (University of Manchester)

“Economic integration and the location of industrial activities: an empirical test of the new economic geography”

Niven Winchester (University of Nottingham)

“New data for the trade and wages debate”

Richard Harris (University of Durham)

“Foreign Ownership and Productivity: Estimates for UK Manufacturing using the ARD”

Hylke Vandenbussche (Catholic University of Leuven)

“Trade, FDI, and Unions”

Steve Redding (LSE)

“Economic geography and international inequality”

Carl Davidson (Michigan State University)

“Trade and the Labour Market”

Steve Matusz (Michigan State University)

“Trade and Turnover: Theory and Evidence”

Jacques Thisse (Universite Catholique de Louvain)

“Agglomeration and markets”

Richard Kneller (University of Nottingham)

“Distance and Technological Transfer”

Ken Clark (University of Manchester)

“An investigation of household remittance behaviour”

Zhihao Yu (University of Nottingham)

“Strategic vertical FDI and the missing pollution-haven effect”

Holger Görg (University of Nottingham)

“Footloose Multinationals”

Matthew Cole (University of Birmingham)

“Factor Endowments or Environmental Regulations? Determining the Trade-Environment Composition Effect”

Catia Montagna (University of Dundee)

“Employment protection and FDI in dynamic oligopoly”

Jim Robinson (UC Berkeley)

“Reversal of Fortune: Geography and Institutions in the Making of the Modern World Income Distribution”

Richard Upward (University of Nottingham)

“Research possibilities of a linked firm-worker dataset from Germany”

Douglas Nelson (Tulane University)

“Globalization and Relative Wages: Some Theory and Evidence”

APPENDIX 6

GEP Work presented by Internal Fellows at Conferences in the UK and Overseas and at Seminars at other Universities

- Dijkstra, B., An investment contest for environmental policy, European Public Choice Society, Paris, April, 2001.
- Dijkstra, B., Noncooperative instrument choice in an international environmental agreement, European Association of Environmental and Resource Economists, Southampton, June, 2001.
- Girma, S., The Process of European Integration and the Determinants of Entry by non-EU Multinationals in UK Manufacturing, GEP Conference on FDI and Economic Integration, University of Nottingham, June 2001.
- Girma, S., Blessing or Curse? Domestic Plants' Survival and Employment Prospects After Foreign Acquisition, CEPR Labour Economics Workshop, London, October 2001.
- Görg, H., Multinational Companies and Indigenous Development: An Empirical Analysis, RES Conference, Durham, April 2001
- Görg, H., The Impact of Exchange Rate Variability on US Direct Investment, GEP Conference on Foreign Direct Investment and Economic Integration, University of Nottingham, June 2001
- Görg, H., Host Country Effects of Multinational Enterprises: Evidence from the UK and Ireland, European Institute of Japanese Studies, Stockholm School of Economics, June 2001
- Görg, H., Blessing or Curse? Domestic Plants' Survival and Employment Prospects after Foreign Acquisition, CEPR Network Conferences on Labour Market Effects of European Foreign Investments, University College Dublin, July 2001
- Görg, H., Foreign Direct Investment, Agglomerations and Demonstration Effects: An Empirical Investigation, EEA Annual Conference, Lausanne, August 2001
- Görg, H., Foreign Direct Investment and Wages in Domestic Firms: Productivity Spillovers vs Labour Market Crowding Out, European Trade Study Group (ETSG) Conference, Brussels, September 2001
- Görg, H., Blessing or Curse? Domestic Plants' Survival and Employment Prospects after Foreign Acquisition, LICOS, Catholic University of Leuven, October 2001
- Greenaway, D., Implications of EU Enlargement for CARICOM countries, IDB/RNM Workshop, Barbados, June 2001.
- Greenaway, D., Enlargement to the East and Monetary Union in Europe: Substitutes or Complements? Keynote address at the Economic Society of Australia Annual Conference, Perth, Australia, September 2001.

- Greenaway, D., The Impact of Globalisation on Developing Economies, A Special Forum at the University of Nottingham in Malaysia, October 2001.
- Greenaway, D., Globalisation and the World Trade Organisation, Bohm-Bawerk Lecture, Innsbruck, November 2001.
- Greenaway, D., Presenting Evidence to House of Lords Select Committee on Economic Affairs Enquiry into Globalisation, November 2001.
- Greenaway, D., Intra Industry Spillovers and Their Determinants, presentation at one-day workshop on 'Enhancing the Benefits of FDI via Spillovers' at United Nations Economic Commission for Europe (UNECE), Geneva, December 2001.
- Hine, R. C., Intra-Industry Trade and Productivity, GEP Conference, University of Nottingham, May 2001.
- Lindley, J., The English Language Fluency and Earnings of Ethnic Minorities in Britain, RES Annual Conference, Durham, April 2001.
- Milner, C., Country-specific determinants of Japanese FDI in Thailand, Australian Society of Economists Annual Conference, Perth, September 2001
- Siegel, D., Strategic Research Partnerships in the United States: Econometric Evidence from Research Joint Venture Activity, University of Leicester, February 2001
- Siegel, D., Strategic Research Partnerships in the United States: Econometric Evidence from Research Joint Venture Activity, University of London-Royal Holloway, March 2001
- Siegel, D., Strategic Research Partnerships in the United States: Econometric Evidence from Research Joint Venture Activity, Danish Research Unit for Industrial Dynamics (DRUID) Nelson and Winter Conference, Aalborg, Denmark, June 2001
- Siegel, D., Diversity and Productivity: Plant-Level Evidence from Sweden, Conference on Comparative Analysis of Enterprise Data (CAED), Aarhus, Denmark, October 2001.
- Siegel, D., Management Buyouts and Economic Performance: Plant-Level Evidence from the United Kingdom, Conference on Comparative Analysis of Enterprise Data (CAED), Aarhus, Denmark, October 2001.
- Upward, R., Estimating the wage costs of inter- and intra-sectoral adjustment, Royal Economic Society Conference, University of Durham, April 2001.
- Upward, R., Education, training and labour reallocation in the UK and Germany, ESRC conference on The Evolving Macroeconomy Research Programme University of Warwick, September 2001.
- Wright, P., Sectoral Mobility in UK Labour Markets, Australian Economic Association Annual Conference, University of Western Australia, Perth, September 2001.
- Yu, Z., A strategic trade and environmental policy view of the Kyoto Protocol, The 11th Annual Conference of the European Association of

- Environmental and Resource Economists, University of Southampton, June 2001.
- Yu, Z., Trade Liberalisation and Strategic Outsourcing, The third annual conference of the European Trade Study Group, ULB, Brussels September 2001.
- Yu, Z., Trade Liberalisation and Strategic Outsourcing, Mid-West International Economics Meetings, Penn State University, October 2001.
- Yu, Z., A theory of strategic DFI and the missing pollution-haven effect, Sixth Occasional California Workshop on Environmental and Resource Economics, University of California at Santa Barbara, October 2001.
- Yu, Z., Strategic Vertical DFI and the Mission Pollution-haven Effect, EURESCO Conference on The International Dimension of Environmental Policy (joined with FEEM), Acquafredda di Maratea, Italy, October 2001.

GEP Contact List

Director: Professor David Greenaway
e-mail: david.greenaway@nottingham.ac.uk
Tel. +44 (0)115 9515469
Fax. +44 (0)115 9515552

Administrator: Ms Susan Berry
e-mail: sue.berry@nottingham.ac.uk
Tel. 44 (0)115 9515469
Fax. 44 (0)115 9515552

Research Paper Series: Dr Joanne Lindley
e-mail: joanne.lindley@nottingham.ac.uk
Tel. 44 (0)115 8467206
Fax. 44 (0) 115 9515552

Workshop Series: Dr Holger Görg
e-mail: holger.gorg@nottingham.ac.uk
Tel. 44 (0)115 8466939
Fax. 44 (0) 115 9515552

Website: Professor Alan Duncan
e-mail: alan.duncan@nottingham.ac.uk
Tel. 44 (0) 115 8466107
Fax. 44 (0) 115 9515552

Newsletter: Dr Richard Kneller
e-mail: richard.kneller@nottingham.ac.uk
Tel. 44 (0) 115 9514734
Fax. 44 (0) 115 9515552

Leverhulme Centre for Research on Globalisation and Economic Policy,
School of Economics,
University of Nottingham,
University Park,
Nottingham.
NG7 2RD
UK

www.nottingham.ac.uk/economics/leverhulme