



Leverhulme Centre
for Research on Globalisation and Economic Policy

**Leverhulme Centre
for Research on
Globalisation and Economic
Policy**

University of Nottingham

**2003 ANNUAL REPORT TO
THE LEVERHULME TRUST**



The University of
Nottingham

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Leverhulme Centre Research Team at the 2003 Research Retreat

**LEVERHULME CENTRE FOR RESEARCH ON GLOBALISATION
AND ECONOMIC POLICY (GEP):
ANNUAL REPORT TO THE LEVERHULME TRUST FOR 2003**

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GEP now constitutes the largest cluster of economists working on globalisation-related issues in the UK and one of the largest in Europe. I believe the Centre's research activities are making a lasting contribution to our understanding of the economic impact of international economic integration. Moreover, there is clear evidence that the Centre's work has impact on the policy-making community, both in the UK and overseas. Finally, it is also gratifying to record that GEP continues to make an on-going contribution to capacity building, both through its PhD programme and through the value it adds to young Post Doctoral Fellows.



Professor David Greenaway,
Director

B. THE RESEARCH AGENDA

Research activity in GEP's three programmes is summarised as follows:

Globalisation, Productivity and Technology (GPT)

The main focus of the **Globalisation, Productivity and Technology**



**Dr Holger Görg,
GPT Programme
Co-ordinator**

programme is the analysis of the transmission mechanisms of new technologies between firms and the impact that globalisation has on these. In particular, we have focused on the determinants and economic implications of trade, foreign direct investment, and international fragmentation of production (also referred to as outsourcing). To this end, research in this programme employs three approaches: theoretical modelling, econometric analysis of micro level data sets, and econometric work on country level data.

Theoretical work has been directed at the decision process of firms considering entering foreign markets. Research addresses a number of questions, including what determines whether a firm chooses to export, licence a foreign firm, or set up in a market directly via foreign direct investment? If it chooses the last option, would it be more profitable to set up a completely new firm (greenfield investment) or acquire an already existing domestic rival? What are the implications of the different modes of entry for technology transfer? What determines whether firms produce a composite good themselves, or fragment the production process so that some parts can be produced in other (low cost) locations? What are the implications of that for the pattern of trade and for domestic labour?

Empirical work carried out attempts to be as closely related to theory as possible. Research using plant, firm and industry level data sets has focussed in particular on the effects of exporting, foreign direct investment and international outsourcing at the level of the firm/plant. Hence, work looks at firms' decisions to become exporters and asks whether exporters are more productive than purely domestic firms and, if so, why. Also, research examines the productivity and employment implications of international outsourcing as well as the effects of inward foreign direct investment on productivity, survival and employment patterns of domestic firms in the host country. Much of this work is based on data for the UK, however, not exclusively so: other studies include other EU members Germany, Ireland, Spain and Sweden as well as a developing country, Ghana.

The analysis of micro data is complemented by cross-country comparisons of productivity growth, based on country level macro data. This part of the research programme focuses on the relationship between openness to international trade and economic growth across countries. Research here uses up-to-date econometric techniques to overcome the pitfalls of much of the work on cross-country growth regressions – in particular of how to deal with cross-country heterogeneity, as well as the endogeneity problem of the trade – growth relationship.

This research programme has proved to be particularly relevant for the policy-making community. Work on the transfer of technology from multinationals to domestic firms was requested by the UN Economic Commission for Europe as well as by the Inter-American Development Bank. A review of the ONS micro data bases was also carried out under the auspices of DTI. An analysis of the link between firms' exporting activities and productivity was commissioned by the DTI. The DTI, as in many governments, engages in some form of export promotion. The evidence on which this policy intervention is based is, however, thin. Until recently, little was known about the characteristics of firms that export. Economic theory generates a number of testable propositions regarding the behaviour of export firms. Of those, the sunk costs/entry models offer a framework for gaining insight into learning-through exporting. There are plausible reasons for thinking that, having entered export markets, firms become more productive. The central idea behind this is that a combination of learning from buyers, competition with other firms and generally gaining greater exposure to best practice results in cost improvements. As a consequence, exporters that were more efficient to start with become even more efficient by virtue of their presence in export markets. The difficulty in determining whether firms benefit from exporting is the lack of the knowledge of about what would have happened to these firms *had they remained non-exporters*. To overcome this problem the literature has assumed that this question can be answered by using information on non-export firms. But should this be all non-export firms, or only those non-export firms that displayed similar performance to the new exporters in the pre-export market entry period? The choice has a noticeable effect on the results. Using all non-exporters our research finds that new-exporters had better performance (they grew more quickly) both before and after entry. From restricting the sample of non-export firms to those that had similar performance in the period before export market entry it is found that post-entry period performance still differed. This is consistent with the idea that firms benefit from export market entry.

Globalisation and Labour Markets Programme (GLM)

The **Globalisation and Labour Markets Programme** examines the extent to which 'labour market adjustment' is caused by increased globalisation and the consequences of this adjustment for labour market structures and outcomes. Labour market adjustment is identified with differential rates of job creation and destruction between firms, sectors, occupations, regions or countries. This causes quantity or price adjustments in the labour market as workers change jobs, suffer unemployment or experience wage-changes. Work within the Centre seeks both to model theoretically and quantify econometrically these changes. Work is carried out under four broad themes.



**Dr Peter Wright,
GLM Programme
Co-ordinator**

Work on *Labour Mobility* examines the causes and consequences of the regional, occupational and industrial movement of labour. Recent work has examined the extent to which regional immobility contributes to differing unemployment experiences between countries. Various commentators have suggested for instance that Spain's extremely immobile workforce has contributed to its recent poor unemployment performance. Attempts have been made to benchmark Spain's experiences against other countries, such as the UK, that have had lower rates of unemployment.

Research is also ongoing to examine the role that technological change and globalisation have had on occupational changes and on the career choices of individuals. To what extent does skill upgrading offer the opportunity of workers to move up the skill ladder, and to what extent does it cause disruption to people's working lives.

Work is also ongoing examining the links between *Globalisation, Unions and Labour Markets*. The implications of increased integration within a variety of theoretical settings have been examined. Work so far has considered the importance of relative country/market size, and the impact of differing bargaining arrangements. Future work will examine the role of other labour and product market imperfections.

The third major theme concerns *International Comparisons of Education and Training*. Ongoing research is examining the impact of the education systems in the UK and Germany on transitions between unemployment and employment, and the role they play in allowing the economy to respond to external shocks.

Education and training levels at the bottom of the ability distribution are far higher in Germany, and it was often claimed that this protected low-skill workers against demand shifts. However, more recently critics have suggested that such a system imposes rigidities that exacerbate unemployment. The German Apprenticeship System is also being looked at theoretically. Why do such different levels of vocational training occur across countries? What implications do these differences have for the wage profiles of young workers?

Finally, research investigating the evidence for growing integration in *The International Market for Executive Labour* is underway. A preliminary empirical exploration of the impact of the nature and extent of the firm's multinational activities on the compensation of its CEO has been conducted. Future research will examine in more detail the processes of international integration in this high profile labour market.

Internationalisation of Economic Policy (IEP)

The general objective of the **Internationalisation of Economic Policy** programme is to investigate the formulation of economic policy in an increasingly globalised world economy. Research under this theme can be characterised as falling within three broad strands.



**Professor Rod Falvey,
IEP Programme
Co-ordinator**

Work on *Policy Choices and Effectiveness* examines how changes in the global economic environment influence the effectiveness of government policy and thereby the policy choices of governments. Most of the policy-oriented research of Internal and External Fellows touches on these areas. One example is the continuing theoretical and applied work on the location choices and preferred modes of entry (greenfield investment, or merger/acquisition) of multinational enterprises, both of which will be affected by government policy. The influence of policy on multinationals' behaviour once they have entered and whether they will prefer to stay or leave is also of continuing interest. The positive and normative implications of trade policies are a second broad area of interest to researchers associated with the Centre. Some of this work will be presented at the "Anti-Dumping at 100" Conference in June 2004. Other topics under investigation involve the effects of policies on the location of polluting firms, the incentives for cross-border and national mergers and empirical evidence on the relationship between intellectual property rights regimes and economic growth.

Research under *Policy Interactions* considers how the policy externalities that arise from broader and deeper international interactions influence the case for policy co-ordination. In the past Internal and External Fellows have researched a wide range of theoretical and empirical topics relating to the implications of regional integration. The empirical work has focussed on the European Union and its enlargement. This can be expected to continue. Other work concentrates on “new issues” for international agreements. This includes the appropriate structure of intellectual property rights regimes, examining in particular the role of patent policy in the open economy. The minimum standards imposed under the TRIPs Agreement are still highly contentious, particularly for poorer countries. Another area of contention is the appropriate structure and role of International Environmental Agreements. Research here examines features of the Kyoto Protocol and its potential successors.

Work on *Policy Transmission* investigates how the experience with particular policies in some jurisdictions informs the policy choices made in others. Topics researched in this area have included trade policy, education, welfare and income support, and some of the findings were presented at a Conference in 2003. Research in this area continues in anticipation of a follow-up Conference in 2005. The role of international agencies, in particular the World Bank and the Regional Development Banks, as major conduits of international policy transfer, is also being investigated. The focus is their role in formulating and disseminating the general lessons from individual country experiences.

C. GEP RESEARCH FELLOWS

GEP has three kinds of Research Fellows: full-time researchers who are paid in full from the Programme Grant and work full-time on the Centre’s Research Programmes; members of the School of Economics who are paid in full by the School but benefit from the research leaves released by the Leverhulme Lecturers to work on the Centre’s research programmes; researchers from outside Nottingham who are appointed for a three-year (renewable) period to work on GEP research and interact with GEP’s research staff. The first two groups constitute the cadre of ***GEP Internal Research Fellows***; the third, our ***GEP External Research Fellows***. In addition, we have a network of ***GEP Policy Associates***, leading analysts from the policy-making community engaged in GEP-related research and analysis. All three groups have grown this year.

Internal Research Fellows

| | |
|--------------------------------------|---|
| Professor David Greenaway (Director) | Professor of Economics |
| Dr Marta Aloï | Lecturer in Economics |
| Dr Spiros Bougheas | Senior Lecturer in Economics |
| Professor Richard Cornes | Professor of Public Economics |
| Dr Bouwe Dijkstra | Leverhulme Lecturer |
| Professor Richard Disney | Professor of Labour Economics |
| Professor Alan Duncan | Professor of Microeconometrics |
| Professor Rod Falvey | Leverhulme Professor of International Trade |
| Dr Ben Ferrett | Research Fellow |
| Dr Holger Görg | Lecturer in Economics |
| Dr Emran Haque | Research Fellow |
| Mr Alex Hijzen | Research Fellow |
| Mr Bob Hine | Senior Lecturer in Economics |
| Dr Richard Kneller | Senior Research Fellow |
| Dr Udo Kreickemeier | Lecturer in Economics |
| Ms Xiaoying Li | Research Associate |
| Ms Sara Maioli | Research Fellow |
| Professor Chris Milner | Professor of International Economics |
| Dr Daniel Mirza | Research Fellow |
| Dr Arijit Mukherjee | Lecturer in Economics |
| Professor Doug Nelson | Professorial Research Fellow |
| Mr Mauro Pisu | Research Fellow |
| Mr Geoff Reed | Reader in Economics |
| Dr Richard Upward | Senior Lecturer in Economics |
| Dr Peter Wright | Senior Lecturer in Economics |

External Research Fellows

Professor Kym Anderson, University of Adelaide
Professor Bruce Blonigen, University of Oregon
Professor Marius Brühlhart, Lausanne University
Professor Paul Collier, University of Oxford
Professor Carl Davidson, Michigan State University
Professor Peter Dawkins, University of Melbourne
Professor Alan Deardorff, University of Michigan
Dr Karolina Ekholm, Stockholm School of Economics
Dr Robert Elliott, University of Birmingham

Cont'd/.....

Dr Simon Evenett, University of Oxford
Dr Joakim Gullstrand, Lund University
Professor Jonathan Haskel, Queen Mary and Westfield College
Dr Sébastien Jean, CEPII, Paris
Professor Wolfgang Keller, University of Texas
Professor Wilhelm Kohler, Johannes Kepler University, Linz
Dr Maurice Kugler, University of Southampton
Professor Peter Lloyd, University of Melbourne
Professor Steven Matusz, Michigan State University
Dr Catia Montagna, University of Dundee
Professor Arvind Panagariya, University of Maryland
Professor Pascal Raimondos-Møller, University of Copenhagen
Professor Ray Riezman, University of Iowa
Professor Todd Sandler, University of Southern California
Dr Fredrik Sjöholm, Stockholm School of Economics
Professor Matthew Slaughter, Dartmouth College
Professor Constantinos Syropoulos, Florida International University
Professor Matthew Tharakan, Antwerp University
Professor Rod Tyers, Australian National University
Professor Hylke Vandenbussche, Leuven University
Professor Ian Wooton, University of Strathclyde
Dr Zhihao Yu, Carleton University

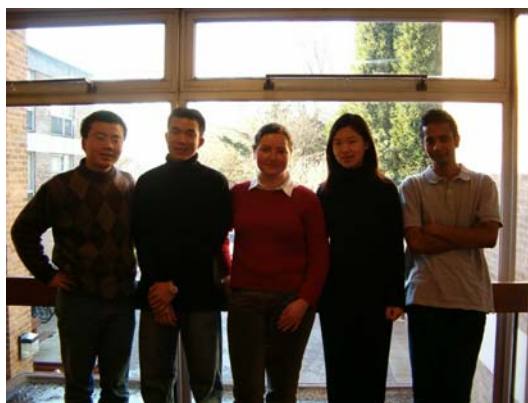
Policy Associates

Mary Amiti, International Monetary Fund
Bob Anderton, European Central Bank
Heather Booth di Giovanni, Department of Trade and Industry
Tony Clayton, Office of National Statistics
Cletus Coughlin, Federal Reserve Bank of St Louis
Adriaan Dierx, EC, Economic and Financial Affairs Directorate
Zdenek Drabek, World Trade Organisation
Tim Harcourt, Australian Trade Commission
Richard Hemming, International Monetary Fund
Bernard Hoekman, The World Bank
Sam Laird, United Nations Conference on Trade and Development
John Martin, Organisation for Economic Co-operation and Development
Christopher Moir, Department of Trade and Industry
Robert Palacios, The World Bank
Mark Pearson, Organisation for Economic Co-operation and Development
Beata Smarzynska, The World Bank

D. BUILDING FUTURE RESEARCH CAPACITY

The national shortage of young graduates pursuing an academic career in Economics is well documented, as are the forces driving it. Among the latter is the combination of limited funding for PhD research and limited Post-Doctoral research opportunities. In GEP we have addressed both: the former by providing several studentships each year, co-funded by the Programme Grant and the University of Nottingham; the latter by maintaining a cluster of Research Fellowships in the Centre. Both initiatives have delivered new recruits to the research community, both in the United Kingdom and overseas and in high ranking Departments. Both initiatives continue to attract excellent candidates.

We have also managed to extend the cadre of GEP PhD students and Post-Doctoral Research Fellows by bringing in resources from elsewhere. A number of PhD students who applied to Nottingham specifically to work in the Centre have fully funded government scholarships from various sources and we have secured several externally funded Post Doctoral positions, for example from the ESRC and the European Union. These have been used both to appoint new researchers and extend the contracts of existing researchers. In the 2004 ERSC competition we will be competing for four new Research Fellowships.



GEP Postgraduate Research Students

E. VISITING RESEARCHERS

Since its establishment a major priority of GEP has been to attract high quality international researchers from elsewhere to visit Nottingham. Not only does this expose GEP Researchers to leading edge work underway elsewhere, it also helps younger researchers integrate into international networks.

Many visitors come to present seminars and to participate in our conferences. Appendices 3 to 9 testify to the quality of speaker we attract for these events. In addition, however, we host a series of one-week visits for leading researchers from elsewhere. Some of these are **GEP External Research Fellows** who visit

on an annual basis, like Carl Davidson and Steve Matusz of Michigan State University, Ray Riezman of Iowa State University and Joakim Gullstrand of Lund University. Others are specialists from particular fields or research centres, such as Marc Melitz from Harvard University, Kala Krishna from Penn State University and Mark Melatos from the University of Sydney. Details of our full list of visitors in 2003 are given in Appendix 11.

F. PUBLISHED OUTPUT

Our **GEP Research Papers** Series has become established as a widely used pre-publication medium. In 2003, 50 papers were published by Internal and External Fellows. Not only does the series allow researchers to establish property rights on research output ahead of publication, it also provides an excellent showcase to the research community of GEP's work. The Series is edited by Alex Hijzen and is produced professionally. In addition to being published in paper-based form to an established circulation list, the Series is also published electronically on our web site. With regard to the latter, thousands of downloads of papers occur each month. In addition to accessing our papers directly, users can now also access them electronically via the Social Science Research Network. Details of the 2003 GEP Research Papers are set out in Appendix 1.



Of course, publication in this Series is not an end in itself. It is vital to the credibility of the Centre that research output is ultimately published in high quality, high impact, peer reviewed journals. In this regard, 2003 was another excellent year, with **GEP Internal Research Fellows** publishing papers in *inter alia* the *Journal of International Economics*, *Review of International Economics*, *International Economic Review*, *Economic Journal*, *Canadian Journal of Economics*, *Economics Letters* and *Review of World Economics*. A full list of journal papers published by Internal Fellows is reported in Appendix 2.

G. CONFERENCES, SEMINARS AND PUBLIC LECTURES

Conferences

The Centre hosted four Conferences this year and again sponsored a special session at the Royal Economic Society Annual Conference. In April we hosted our

second annual Postgraduate Conference. This was convened by Daniel Mirza. Six of the sixteen papers were presented by Nottingham students and ten by students from a range of European countries. Nottingham Faculty provided all of the discussants. This was a lively event and a worthwhile contribution to our capacity building agenda.

Also in April we co-hosted a Conference on *International Policy Transfer* with the Murphy Institute of Political Economy at Tulane University, where the Conference was held. The event was convened by Alan Duncan and Doug Nelson and involved economists, political scientists and social policy analysts. A selection of the papers will be published in a special issue of *The World Economy*.



The International Policy Transfer Conference in session

In June the Centre's annual summer Conference was on the theme of *Trade and Labour Perspectives on Worker Turnover* and was organised by Richard Upward and Peter Wright, in collaboration with two of our External Fellows, Carl Davidson and Steve Matusz. The Conference was launched by Richard Freeman of Harvard University giving *The World Economy* Annual Lecture and involved leading economists from North America and Western Europe. A selection of papers from the Conference is currently under review with the *Journal of International Economics*.

Our final Conference of the year was held in October on the theme *Exporting and Firm Performance*. This is currently a 'hot topic' and is attracting considerable interest in the policy-making community. It is also an area where considerable work is currently underway in GEP. The Conference was convened by David Greenaway and Richard Kneller.

Full details of all of these programmes can be found in Appendices 3, 4, 5 and 8.

Seminars

GEP continues to run a very successful weekly seminar programme organised by Ben Ferrett. In 2003, 25 seminars were held, with three-quarters of the speakers being visitors to GEP. The Programme is open to all researchers associated with the Centre and School of Economics more generally as well as to our PhD students. In addition to offering opportunities to listen to presentations on work underway elsewhere and build or maintain research networks, the seminar is also

an invaluable mechanism for bringing researchers in the Centre together on a weekly basis.

A full list of GEP seminar speakers and topics is detailed in Appendix 9.

Public Lectures

Following the successful innovation of our **Leverhulme Globalisation Lectures** in 2002, we again supported a full programme of quarterly lectures this year. Again, they were given by speakers of the highest calibre and on topics of wide interest. In March, Todd Sandler (University of Southern California) lectured on 'Collective Action and Transnational Terrorism'.



Professor Todd Sandler

This was followed in April by Martin Wolf (Associate Editor and Chief Economics Commentator, *The Financial Times*) who spoke on 'How International Financial Integration Today Differs from that of a Century Ago'.



In October our speaker was Adrian Wood, Chief Economist, Department for International Development. The Lecture's title was 'Making Globalisation Work for the Poor' and it focused on the 2000 White Paper.

The final lecture for the year was in November when Paul Collier (former Research Director at The World Bank) presented on 'Globalisation and Civil War'.

Professor Adrian Wood

In addition to our *Leverhulme Globalisation Lectures*, we also hosted **The World Economy Annual Lecture** in June. The 2003 Lecture was given by Richard Freeman (Harvard University) on 'The Exaggerated Impact of Trade on Labour Markets'.



Professor Richard Freeman

Finally, in November, Doug Nelson, a Professorial Research Fellow in the Centre, gave his Inaugural Lecture on 'Political Economy Problems and Trade Policy'.

All of these Lectures were extremely well attended. As well as involving staff and students from GEP and the School of Economics, they were attended by many from other parts of the University and the broader community.

Conferences and Seminar Presentations Elsewhere by GEP Researchers

Appendix 10 lists the participation of GEP Internal Fellows in national and international conferences, seminars and workshops. GEP papers were prominent in a large number of major conferences, including the Annual Conferences of the European Economic Association, European Trade Study Group, Econometric Society European Meetings, European Association of Labour Economists, Mid-West International Economics Meetings and Royal Economic Society.

H. INFLUENCING POLICY: USER ENGAGEMENT AND OUTREACH

The scientific quality of GEP's research outputs has been key to building credibility. Since its establishment, however, it has also been a priority to build links with research users and exploit these through an active programme of outreach activities. Our network of GEP Policy Associates is an important element in achieving this. Specific initiatives in 2003 in user engagement and outreach to be highlighted are:

- Involvement of one of our Policy Associates in the GEP Research Retreat to lead an evaluation of our user engagement and outreach activities.
- Involvement of Policy Associates as presenters and discussants at two of our conferences and in the Royal Economic Society Special Session.
- Articles by Policy Associates in the ***GEP Newsletter***.
- Organisation and facilitation of a Workshop in London for the Department for International Development in support of the International Labour Organisation's *World Commission on Social Dimensions of Globalisation*.
- Preparation of a review of micro-data evaluation for the Department for Trade and Industry and Office of National Statistics.
- Preparation of a Report on 'Exporting and Productivity' for Trade Partners UK.

- Hosting of six public lectures, including four Leverhulme Globalisation Lectures.
- Presentations made at seminars hosted by users including British Trade International, the Department for International Development and the World Bank.

We have recently engaged part-time support for the preparation of non-technical summaries of GEP Research papers and the preparation of press releases on appropriate papers and other GEP events.

I. MANAGEMENT OF GEP

The Centre's Director, Professor David Greenaway, has overall responsibility for management and strategy. On a day-to-day basis he is supported by a full-time professional Administrator, Susan Berry. Among her responsibilities is co-ordinating the activities of those responsible for organising the seminar programme, GEP conferences, the ***GEP Research Papers Series*** and ***GEP Newsletter***. Ms Berry also has overall responsibility for the maintenance and development of the Centre's web site, which is now probably the most intensively accessed of all of the University of Nottingham's sites.

Professor Greenaway chairs the GEP Management Committee, which comprises the three Programme Co-ordinators, one of the full-time Research Fellows, one Internal Fellow from the School and the Centre Administrator. This meets monthly, reviews all of the Centre's activity and has responsibility for both research strategy and dissemination activities.



GEP Management Committee

Research strategy, dissemination and outreach are systematically re-evaluated, Programme by Programme, at the annual GEP Research Retreat. This involves all of the Centre's Internal Research Fellows. The Programme for the 2003 Retreat is set out in Appendix 7. As can be seen, discussions are led by External Fellows in order to ensure an outside perspective is brought to bear. Moreover, we also ensure that one of our Policy Associates informs the discussion of dissemination and outreach. The Retreat is followed by a mid-year Review six months later to ensure that Internal Fellows are fully informed of progress against agreed actions.

Both the Retreat and mid-year Review are important inputs to strategy. They are also very useful communication instruments. In addition, to ensure that Research Fellows are fully informed, the Minutes of each GEP Management Committee are circulated among all Internal Research Fellows and a *GEP Monthly Bulletin* is prepared and distributed to all Internal Fellows, External Fellows and Policy Associates. Both are regarded as effective communication tools.

The Director is the budget holder. Financial management support is provided by the Centre Administrator and the School of Economics Accounts Officer. A monthly budget review takes place. Annual budget statements are prepared with assistance from the University's Research Support Office.

J. LOOKING FORWARD TO 2004

2003 proved to be an excellent year for all aspects of GEP's research and dissemination activities. Next year will build on this year's achievements:

- New **Research Fellows** (Internal and External) have increased our research capacity.
- GEP's **research agenda** will continue to develop in all three Programmes;
- Three major **Conferences** are planned: a PhD Conference in March; a Conference on Anti-Dumping in June; and a Conference on International Mergers and Acquisitions in October.
- In September, GEP will host the annual meetings of the **European Trade Study Group**, the largest gathering of international economics specialists in Europe.
- A full programme of **Leverhulme Globalisation Lectures** is planned and in September the Centre will again host *The World Economy* Annual Lecture.

- A new series of Masterclass Lectures sponsored by Princeton University Press will be initiated in Autumn 2004.
- The flow of high quality research outputs will be maintained. In addition to papers by GEP researchers which will be published in high impact peer reviewed journals, papers from two of the Centre's conferences will be published in leading journals and a major volume showcasing GEP's work on productivity will appear.

As in 2003, all of the Centre's activities will be reviewed and updated at GEP's annual Research Retreat, which will again be externally informed and moderated.

APPENDIX 1

GEP Research Papers published in 2003

- 2003/01 L. Fontagné and D. Mirza, 'The Role of Demand in the Adjustment of Employment to Trade'
- 2003/02 B. Ferrett, 'Greenfield Investment versus Acquisition: Positive Analysis'
- 2003/03 W. Keller and S. Yeaple, 'Multinational Enterprises, International Trade and Productivity Growth: Firm-Level Evidence from the United States'
- 2003/04 D. Mirza, 'How Much Trade Contributes to the Formation of Market Structure'
- 2003/05 G. Dewit, D. Leahy and C. Montagna, 'Employment Protection and Globalisation in Dynamic Oligopoly'
- 2003/06 D. Greenaway and C. R. Milner, 'Effective Protection, Policy Appraisal and Trade Policy Reform'
- 2003/07 S. Girma, D. Greenaway and R. Kneller, 'Export Market Exit and Performance Dynamics: A Causality Analysis of Matched Firms'
- 2003/08 A. Mukherjee, 'Foreign market entry and host-country welfare: a theoretical analysis'
- 2003/09 Ismael Sanz and Francisco J. Velázquez, 'Has European integration approximated the composition of government expenditures?'
- 2003/10 P.K.M. Tharakan and I. Van Beveren, 'Exports and Distance in a Digitized World: Gravity Model Applied to the Indian Exports of Software'
- 2003/11 Marius Brühlhart and Rolf Traeger, 'An Account of Geographic Concentration Patterns in Europe'
- 2003/12 Patricia S. Pollard and Cletus C. Coughlin, 'Pass-Through Estimates and the Choice of an Exchange Rate Index'
- 2003/13 Todd Sandler, 'Collective Action and Transnational Terrorism'
- 2003/14 Richard Kneller and Philip A. Stevens, 'Absorptive Capacity and Frontier Technology: Evidence from OECD Manufacturing Industries'
- 2003/15 Joseph Francois and Douglas Nelson, 'Globalization and relative wages: Some theory and evidence'
- 2003/16 Wilhelm Kohler, 'Factor price frontiers with international fragmentation of multistage production'
- 2003/17 Alexander Hijzen, 'Fragmentation, Productivity and Relative Wages in the UK: A Mandated Wage Approach'
- 2003/18 Paul A. de Hek and Arijit Mukherjee, 'On Foreign Market Entry Under Uncertainty'
- 2003/19 Zhihao Yu, 'Why Take on the Tobacco Industry?: the Political Economy of Government Anti-smoking Campaign'
- 2003/20 Holger Görg and Aoife Hanley, 'International outsourcing and productivity: Evidence from plant level data'
- 2003/21 Sourafel Girma, Richard Kneller and Mauro Pisu, 'Exports versus FDI: An Empirical Test'

- 2003/22 Sourafel Girma, Richard Kneller and Mauro Pisu, 'Do Exporters Have Anything to Learn from Foreign Multinationals?'
- 2003/23 Zhihao Yu, 'IT, Production Specialization and Division of Labor: A Smith-Ricardo Model of International Trade'
- 2003/24 Holger Gorg and Frederic Warzynski, 'Price cost margins and exporting behaviour: Evidence from firm level data'
- 2003/25 Zhihao Yu, 'A New Push on an Old Fundamental: Understanding the Patterns of Outsourcing'
- 2003/26 David Greenaway, Joakim Gullstrand and Richard Kneller, 'Exporting May Not Always Boost Firm Level Productivity'
- 2003/27 Gerda Dewit, Holger Görg and Catia Montagna, 'Should I stay or should I go? A note on employment protection, domestic anchorage and FDI'
- 2003/28 Sourafel Girma, Holger Görg and Eric Strobl, 'Government grants, plant survival and employment growth: A micro-econometric analysis'
- 2003/29 Rod Falvey, 'Endogenous Mergers and Tariffs in an Integrated Market'
- 2003/30 David Greenaway and Chris Milner, 'A Grim REPA?'
- 2003/31 Hassan Molana and Catia Montagna, 'Welfare State, Market Imperfections and International Trade'
- 2003/32 Sourafel Girma, Michael Henry, Richard Kneller and Chris Milner, 'Threshold and Interaction Effects in the Openness-Productivity Growth Relationship: The Role of Institutions and Natural Barriers'
- 2003/33 Udo Kreickemeier, 'Efficiency Wages and Unemployment in a Global Economy'
- 2003/34 Mariam Camarero and Cecilio Tamarit, 'Estimating the export and import demand for manufactured goods: The role of FDI'
- 2003/35 Udo Kreickemeier, 'Unemployment and the Welfare Effects of Trade Policy'
- 2003/36 Udo Kreickemeier, 'The Le Châtelier Principle in the Theory of International Trade'
- 2003/37 Arijit Mukherjee and Soma Mukherjee, 'Foreign market entry: a theoretical analysis'
- 2003/38 Christopher Magee, Carl Davidson and Steven J. Matusz, 'Trade, Turnover and Tithing'
- 2003/39 Arijit Mukherjee, 'Foreign direct investment and export under imperfectly competitive host-country input market'
- 2003/40 Sourafel Girma and Holger Görg, 'Evaluating the Causal Effects of Foreign Acquisition on Domestic Skilled and Unskilled Wages'
- 2003/41 Ingo Geishecker and Holger Görg, 'Winners and Losers: Fragmentation, Trade and Wages Revisited'
- 2003/42 Richard B. Freeman, 'Trade Wars: The Exaggerated Impact of Trade in Economic Debate'
- 2003/43 Andreas Haufler and Ian Wooton, 'Regional Tax Coordination and Foreign Direct Investment'
- 2003/44 David Greenaway and Chris Milner, 'What Have We Learned from a Generation's Research on Intra-Industry Trade?'

- 2003/45 David Greenaway and Richard Kneller, 'Exporting, Productivity and Agglomeration: A Difference in Difference Analysis of Matched Firms'
- 2003/46 Sourafel Girma, Holger Görg and Eric Strobl, 'Exports, international investment, and plant performance: Evidence from a non-parametric test'
- 2003/47 Fredrik Sjöholm and Sadayuki Takii, 'Foreign Networks and Exports: Results from Indonesian Panel Data'
- 2003/48 Andrew B. Bernard and Fredrik Sjöholm, 'Foreign Owners and Plant Survival'
- 2003/49 Ben Ferrett, 'Intra- and Inter-Firm Technology Transfer in an International Oligopoly'
- 2003/50 Michael Henry, Richard Kneller and Chris Milner, 'Trade, Technology Transfer and National Efficiency in Developing Countries'

APPENDIX 2

GEP Related Published Output of Internal Fellows in 2003

Papers in Refereed Journals

- Aloi, M.** (with H. J. Jacobsen and T. Lloyd-Braga) 'Endogenous Business Cycles and Systematic Stabilization Policy', *International Economic Review*, Vol. 44, pp.895-915.
- Bougheas, S.** and **H. Görg** (with E. Strobl) 'Is R&D Financially Constrained? Theory and Evidence from Irish Manufacturing Firms', *Review of Industrial Organization*, Vol.22, pp.159-174.
- Bougheas, S.** (with P. Demetriades and E. Morgenroth) 'International Aspects of Public Infrastructure Investment', *Canadian Journal of Economics*, Vol.36, pp.884-910
- Cornes, R.** (with E. Silva) 'Public Good Mix in a Federation with Incomplete Information', *Journal of Public Economic Theory*, Vol.5, pp.381-97.
- Cornes, R.** (with A. Caplan and E. Silva) 'An Ideal Kyoto Protocol: Emissions Trading, Redistributive Transfers and Global Participation', *Oxford Economic Papers*, Vol.55, pp.216-34.
- Dijkstra, B.** 'Direct Regulation of a Mobile Polluting Firm', *Journal of Environmental Economics and Management*, Vol.45, pp.265-277.
- Disney, R.** (with J. Haskel and Y. Heden) 'Restructuring and Productivity Growth in UK Manufacturing', *Economic Journal*, Vol.113, pp.666-694.
- Disney, R.** (with J. Haskel and Y. Heden) 'Entry, Exit and Establishment Survival in UK Manufacturing', *Journal of Industrial Economics*, Vol.51, pp.91-112.
- Görg, H.** (with S. Barrios and E. Strobl) 'Explaining Firms' Export Behaviour: R&D, Spillovers and the Destination Market', *Oxford Bulletin of Economics and Statistics*, Vol.65, pp.475-495.
- Görg, H.** (with S. Barrios and E. Strobl) 'Multinational enterprises and new trade theory: Evidence for the convergence hypothesis', *Open Economies Review*, Vol.14, pp.397-418
- Görg, H.** (with F. Barry and E. Strobl) 'Foreign direct investment, agglomerations and demonstration effects: An empirical investigation', *Review of World Economics / Weltwirtschaftliches Archiv*, Vol.139.
- Görg, H.** (with F. Barry and A. McDowell) 'Outward FDI and the Investment Development Path of a Late-Industrialising Economy: Evidence from Ireland', *Regional Studies*, Vol.37, pp.341-349.
- Görg, H.** (with E. Strobl) 'The Incidence of Visible Under-employment: Evidence or Trinidad and Tobago', *Journal of Development Studies*, Vol.39, pp.81-100.
- Görg, H.** (with E. Strobl) 'Footloose Multinationals?', *The Manchester School*, Vol.71, pp.1-19.
- Görg, H.** (with E. Strobl) 'Multinational Companies, Technology Spillovers and Plant Survival', *Scandinavian Journal of Economics*, Vol.105, pp.581-597.

Cont'd/.....

- Greenaway, D.** (with M. Haynes) 'Funding Higher Education in the UK: The Role of Fees and Loans', *Economic Journal*, Vol.113, pp.F150-166.
- Greenaway, D.** and **R. Kneller** (with S. Girma) 'Export Market Exit and Performance Dynamics : A Causality Analysis of Matched Firms', *Economics Letters*, Vol.80, pp.181-187.
- Greenaway, D.** and **C.R. Milner** 'Effective Protection, Policy Appraisal and Trade Policy Reform', *The World Economy*, Vol.26, pp.441-456.
- Hine, R.C.,** A. Piperakis and **P.W. Wright**, 'Market Size and Economic Integration when Labor Markets are Unionized', *Review of International Economics*, Vol. 11, pp. 483.
- Kneller, R.** (with P. Stevens) 'The Specification of the Aggregate Production Function in the Presence of Inefficiency', *Economics Letters*, Vol.81, pp.77-80.
- Milner, C.R.** 'Reform of the EU's Agricultural Policy', *Commonwealth Trade Hot Topics*, Issue No.27, Commonwealth Secretariat.
- Milner, C.R.** (with T. Weyman-Jones) 'Relative National Efficiency and Country Size: Evidence for Developing Countries', *Review of Development Economics*, Vol.7, pp.1-14.
- Milner, C.R.,** A. Piperakis and **P.W. Wright** 'Immigration, Trade Costs and Trade: Gravity Evidence for Greece', *Journal of Economic Integration*, Vol.18(4), pp.750-762.
- Mukherjee, A.** (with U. Broll and S. Marjit) 'Foreign Direct Investment, Credible Policy: The Role of Risk Sharing', *International Trade Journal*, Vol.17, pp.165-176.
- Mukherjee, A.** 'Does Society Prefer Small Innovation?', *Economics Letters*, Vol.78, pp.301-307.
- Wakelin, K.** (with M. Amiti) 'Investment Liberalisation and International Trade', *Journal of International Economics*, Vol.61, pp.101-126.

Books, Edited Volumes, Chapters in Books and Reports

- Dijkstra, B.** 'Belangengroepen en milieubeleid' [Interest groups and environmental policy], in P.J. Eijgelshoven, D. Wiersma and T. Zuidema (eds), *Milieu tussen markt en overheid* [Environment between market and government], Stenfert Kroese, Groningen, pp.109-133.
- Görg, H.** and **D. Greenaway** 'Is there a potential for increases in FDI for Central and Eastern European Countries following EU accession?' in Herrmann, H. and R.E. Lipsey (eds.) *Foreign Direct Investment in the Real and Financial Sector of Industrial Countries*, Springer, Berlin, pp.165-183.
- Greenaway, D.** Global Trade Policy Review 2003 (ed.), *The World Economy*, Vol.26, No.9.
- Greenaway, D.** and **R. Kneller**, 'Participation in Exports Markets and Productivity in UK Manufacturing', Report to Trade Partners UK.

Cont'd/.....

- Milner, C.R.** (with W.O. Morrissey and J. Mbabazi), 'The Fragility of Empirical Links between Inequality, Trade Liberalisation, Growth and Poverty' in R. van der Hoeven and A. Shorrocks (eds.) *Perspectives on Growth and Poverty*, United Nations University Press, pp.113-143.
- Nelson, D.** (with W. O. Morrissey), 'The WTO and the Transfer of Policy Knowledge: The Case of Trade and Competition Policy', in Harry Bloch, ed. *Growth and Development in the Global Economy*. 2003, Cheltenham, Edward Elgar.
- Nelson, D.** (with Joseph Francois), 'Monopolistically Competitive Provision of Inputs: A Geometric Approach to the General Equilibrium' in S. Brakman and B.J. Heijdra, eds. *The Monopolistic Competition Revolution in Retrospect*. Cambridge, Cambridge University Press, pp.185-210.
- Wright, P.W.** (with M.Canyon, S.Girma and S.Thompson), 'Multinationals and Labour: Evidence from the International Acquisition of UK Firms' in Michael Waterson (ed) *Competition, Monopoly and Corporate Governance: Essays in Honour of Keith Cowling*. Edward Elgar.

APPENDIX 3

**Leverhulme Centre for Research on Globalisation and Economic Policy
and
Murphy Institute of Political Economy**

***Conference on Political Economy of Policy Transfer, Learning and
Convergence***

11th – 12th April 2003

Diboll Conference Center, Tulane University

11th April

9.00 a.m. **Welcome**

- Richard F. Teichgraeber III (Director of the Murphy Institute)
- Alan Duncan (Leverhulme Centre for Research on Globalisation and Economic Policy)

Panel I: Theoretical and Methodological Issues in Policy Learning, Transfer and Convergence

- Evelyne Huber and John Stephens (University of North Carolina): 'State Economic and Social Policy in Global Capitalism'
- David Dolowitz (University of Birmingham): 'The Europeanisation of Policy Transfer. The EU as a Policy Mediator'
- Diane Stone (University of Warwick): 'Transnational Transfer Agents and Global Networks in the 'Internationalisation' of Policy'

Panel II: Characterising Policy Transfer, Learning and Convergence

- Kevin Grier (University of Oklahoma): 'Convergence: Concepts, Tests and Evidence'
- Oliver Morrissey (University of Nottingham) and Doug Nelson (Tulane University): 'Characterising International Policy Learning'
- Graham Wilson (University of Wisconsin): 'Importing Co-operation in Environmental Policy'

Panel III: Macroeconomic Policy

- Richard Hemming (International Monetary Fund): 'Policies to Promote Fiscal Discipline'
- Robert Franzese and Jude C. Hays (University of Michigan): 'Modelling Spatial Relationships in International and Comparative Political Economy: An Application to Globalisation and Capital Taxation in Developed Democracies'

12th April

Panel IV: International Trade/Competition Policy

- Thomas Prusa (Rutgers University) and Susan Skeath (Wellesley College): 'Retaliation as an Explanation for the Proliferation of Anti-dumping'
- Chris Milner (University of Nottingham): 'Learning, Herding or Coercion. The Case of the 'Trade Policy Revolution' in Sub-Saharan Africa'
- Julian Clarke, Simon Evenett (World Trade Institute) and J. David Richardson (Syracuse University): 'Recent Cross-Border Competition-Policy Transfer and Convergence'

Panel V: The Welfare State

- Robert Walker (University of Nottingham) and Michael Wiseman (Urban Institute): 'Refreshing Reform: Ideas from British Welfare Strategy'
- Alan Duncan (University of Nottingham), Mark Pearson (OECD) and J.K.Scholz (University of Wisconsin): 'Is There an Emerging Consensus in Making Work Pay Policies?'
- Mitchell A. Orenstein (Syracuse University): 'Mapping the Diffusion of Pension Innovation'

Panel VI: Labour Market and Education Policy

- David Greenaway (University of Nottingham) and Bruce Chapman (Australian National University): 'Learning to Live with Loans? Policy Transfer and the Funding of Higher Education'

APPENDIX 4

Leverhulme Centre for Research on Globalisation and Economic Policy (GEP), University of Nottingham

Conference on 'Trade and Labour Perspectives on Worker Turnover'

26th to 28th June, 2003

at Lenton and Wortley Hall, University Park, University of Nottingham

Thursday, 26th June

**6.30 p.m. *The World Economy Annual Lecture:
'The Exaggerated Impact of Trade on the Labour Market'***

Richard Freeman (Harvard University)

**(in Lecture Theatre B3, Biological Sciences, University
Park, University of Nottingham)**

Friday, 27th June

Welcome and Conference Opening

Session 1: Trade and Labour Market Structure

The Simple Analytics of Trade and Labour Mobility

John McLaren (University of Virginia) and Shubham Chaudhuri (Columbia University)

Discussant: Marta Aloi (GEP, University of Nottingham)

Efficiency Wages and Unemployment in a Global Economy

Udo Kreickemeier (GEP, University of Nottingham)

Discussant: John McLaren (University of Virginia)

Session 2: Mobility and Trade

Skill Upgrading and Occupational Mobility in the US and UK During the 1990s

Richard Upward and Peter Wright (GEP, University of Nottingham)

Discussant: Richard Disney (GEP, University of Nottingham)

Trade and Turnover: Theory and Evidence

Carl Davidson and Steven Matusz (Michigan State University)

Discussant: Ken Clark (University of Manchester)

Session 3: Trade Liberalisation and Labour Markets in Transition Economies

Trade Liberalisation and Employment Effects in Ukraine

Atanas Christev (Heriot-Watt University), Olga Kupets (Kiev Mohyla Academy) and Hartmut Lehmann (Heriot-Watt University)

Discussant: Peter Wright (GEP, University of Nottingham)

Inter-Establishment Reallocation, Productivity Growth and the Effects of Privatization and Liberalization

David Brown (Heriot-Watt University) and John Earle (W.E. Upjohn Institute for Employment Research)

Discussant: Bob Anderton (European Central Bank)

Session 4: Liberalisation and Adjustment

Labour Market Adjustments to Globalisation: Unemployment Versus Relative Wages

Carsten Eckel (University of Passau)

Discussant: Spiros Bougheas (GEP, University of Nottingham)

The Response of the Informal Sector to Trade Liberalisation

Nina Pavcnik (Dartmouth College) and Pinelopi Goldberg (Yale University)

Discussant: Chris Milner (GEP, University of Nottingham)

Saturday, 28th June

Session 5: Trade Exposure and Gross Flows in the Labour Market

Permanent and Temporary Job Flows and the Real Exchange Rate

Scott Schuh (Federal Reserve Bank of Boston), Michael Klein (Tufts University) and Robert Triest (Federal Reserve Bank of Boston)

Discussant: Karl Taylor (University of Leicester)

Trade Exposure, Fragmentation and Labour Market Flows

Barbara Dluhosch (University of Hamburg)

Discussant: Carl Davidson (Michigan State University)

Session 6: Immigration and Employment

International Brain Mobility and Intra-Industry Trade

Nicolas Schmitt (University of Geneva) and Jean Mercenier (Université de Cergy-Pontoise)

Discussant: Ben Zissimos (University of Birmingham)

Protection and Unemployment

Scott Bradford (Brigham Young University)

Discussant: Chris Magee (Bucknell University)

Session 7: Imperfect Markets, Trade and Labour

The Welfare State, Market Imperfections and International Trade

Catia Montagna (University of Dundee)

Discussant: Ben Ferrett (GEP, University of Nottingham)

The Impact of Trade on Labour Demand Elasticities Under Imperfect Competition

Daniel Mirza and Mauro Pisu (GEP, University of Nottingham)

Discussant: Richard Kneller (GEP, University of Nottingham)

Session 8: Political Economy Models

Trade, Turnover and Tithing

Chris Magee (Bucknell University), Carl Davidson (Michigan State University) and Steven Matusz (Michigan State University)

Discussant: Doug Nelson (Tulane University and GEP, University of Nottingham)

Political Ideology and Endogenous Trade Policy: An Empirical Analysis

Pushan Dutt (University of Alberta) and Devashish Mitra (Syracuse University)

Discussant: Cillian Ryan (University of Birmingham)

APPENDIX 5

University of Nottingham
Leverhulme Centre for Research on Globalisation and Economic Policy

Conference on Exporting and Firm Level Adjustment

Monday, 6th October, 2003

P R O G R A M M E

- 09.45 – 10.00 *Welcome and Coffee*
- 10.00 – 10.45 *Market Size, Trade and Productivity*
Marc Melitz (Harvard University)
- 10.45 – 11.30 *Efficiency Differentials and Intra-Industry Trade*
Zhihong Yu (GEP, University of Nottingham)
- 11.30 – 11.45 *Coffee*
- 11.45 – 12.30 *On the Coexistence of National Companies and
Multinational Enterprises*
Jörn Kleinert (Institut für Weltwirtschaft, Kiel)
- 12.30 – 13.45 *Lunch*
- 13.45 – 14.30 *Exporting, Productivity and Agglomeration*
David Greenaway and Richard Kneller
(GEP, University of Nottingham)
- 14.30 – 15.15 *Exports as an Indicator on or Promoter of Successful Swedish
Manufacturing Firms in the 1990s*
Pär Hansson (FIEF - Trade Union Institute for
Economic Research, Stockholm)
- 15.15 – 15.30 *Coffee*
- 15.30 – 16.15 *The micro-structure of the German export boom: Evidence from
establishment panel data, 1995–2002*
Joachim Wagner (University of Lueneburg)

APPENDIX 6

**Special Session for the 2003 RES Annual Conference Invited Session, to
be held on 7th April at the University of Warwick**

Fragmentation of production and international trade

Speakers and titles of papers:

Wilhelm Kohler (Johannes Kepler University of Linz)
"Factor price frontiers with international fragmentation of multi-stage production"

Alexander Hijzen (University of Nottingham)
"Fragmentation, Productivity and Relative Wages in the UK: A General
Equilibrium Approach"

Doug Nelson (Tulane University and GEP, University of Nottingham) (with Joe
Francois, Erasmus University)
"Globalization and Relative Wages: Some Theory and Evidence"

Discussant: **Bob Anderton** (European Central Bank)

Session Chair: **Holger Görg** (GEP, University of Nottingham)

APPENDIX 7

**GEP Research Retreat
12th – 13th May, 2003
at the Izaak Walton Hotel, Dovedale, Ashbourne**

P R O G R A M M E

Monday 12th May

17.30 – 19.00 Review of GEP's Research and Dissemination Activities

Speaker: David Greenaway
Rapporteur: Bob Anderton, European Central Bank

20.00 *Dinner*

Tuesday 13th May

09.00 – 10.30 Recent Research and New Opportunities on *Globalisation and Labour Markets*

Speaker: Steve Matusz, Michigan State University
Rapporteur: Peter Wright

11.00 – 12.30 Recent Research and New Opportunities on *Globalisation, Productivity and Technology*

Speaker: Wolfgang Keller, University of Texas
Rapporteur: Holger Görg

12.30 – 14.00 *Lunch*

14.00 – 15.30 Recent Research and New Opportunities on the *Internationalisation of Economic Policy*

Speaker: Doug Nelson, Tulane University and GEP
Rapporteur: Rod Falvey

16.00 – 17.00 Developing Links with Other Centres

Speakers: Oliver Morrissey, CREDIT, Nottingham
Chris Milner, GEP, University of Nottingham

APPENDIX 8

Second Annual Postgraduate Conference

Hosted by the Leverhulme Centre for Research on Globalisation and Economic Policy (GEP), University of Nottingham

10th April, 2003

Lecture Theatre A41, Economics and Geography Building,
University of Nottingham, University Park

Programme

Session 1: Trade and labour markets in Europe

9.00-9.30: Arrival and Coffee

9.30-10.05: *Foreign Outsourcing towards newly industrialised countries and its impact on the relative wages and employment of low skilled workers in the European Union*
Speaker: **Michel Dumont (University of Antwerp)**
Discussant: **Udo Kreickemeier (GEP, University of Nottingham)**

10.05-10.40: *Trade liberalisation and the sustainability of cross-border union co-ordination*
Speaker: **Chiara Strozzi (University of Modena)**
Discussant: **Mike Bleaney (University of Nottingham)**

Session 2: Trade and Development Topics

10.50-11.50: Poster Sessions

- *The Importance of Geography for Firm-Level Exports*, Presenter: **Pamina Koenig Soubeyran (University of Paris)**
- *South-South Trade: Geography Matters*, Presenter: **Souleymane Coulibaly (Universities of Lausanne and Paris)**
- *Border Effects and East-West Integration*, Presenter: **Angela Cheptea (University of Paris)**
- *The Impact of Trade on UK Wages in General Equilibrium, 1975-1999: A GDP Function Approach*, Presenter: **Alexander Hijzen (University of Nottingham)**

Session 3: Microeconomic Evidence on Exports and Productivity

11.50-12.25: *Exporting by Learning? Microeconomic Evidence from British Automotive and Chemical Industry*
Speaker: **Zhihong Yu (GEP, University of Nottingham)**
Discussant: **Richard Kneller (GEP, University of Nottingham)**

12.25-13.00: *Exports versus FDI: An Empirical Test*
Speaker : **Mauro Pisu (GEP, University of Nottingham)**
Discussant: **Holger Görg (GEP, University of Nottingham)**

Session 4: Trade, Development and Movement of Factors

14.00-14.35: *Does North-South Trade affect Multinational Firms Strategies?*
Speaker: **Sylvie Montout (University of Paris)**
Discussant: **Rod Falvey (GEP, University of Nottingham)**

14.35-15.10: *The Determinants of Mobility Towards Self-Employment in Colombia: a Duration Analysis*
Speaker: **Valentine Henrard (University of Paris)**
Discussant: **Peter Wright (GEP, University of Nottingham)**

Session 5: Development Topics

15.20-16.20: Poster Sessions

- *Objective repayment performance and its determinants: How to improve the allocation of loans by MFIs?*, Presenter: **Marie Godquin (University of Paris)**
- *Competition and Growth in a Neo-Schumpeterian Model*, Presenter: **Piercarlo Zanchettin (University of Nottingham)**
- *Alcohol Prohibition and Addictive Consumption in India*, Presenter: **Lupin Rahman (London School of Economics)**
- *Inequality and Welfare Analysis in the Harris-Todaro Model*, Presenter: **Yarika Ruangsiri (University of Nottingham)**

Session 6: Development and Institutions

16.20-16.55: *Threshold Effects in the Openness-Productivity Growth Relationship: Role of Institutions and Natural Barriers*
Speaker: **Michael Henry (GEP, University of Nottingham)**
Discussant: **Oliver Morrissey (University of Nottingham)**

16.55-17.30: *The Role of Freedom, Growth and Religion in the Taste for Revolution*
Speaker: **Sylvia Pezzini (London School of Economics)**
Discussant: **Richard Cornes (GEP, University of Nottingham)**

APPENDIX 9

Seminars hosted by GEP in 2003

Holger Görg, GEP, University of Nottingham

'Fancy a Stay at the Hotel California?'

Peter Wright, GEP, University of Nottingham

'Merger Activity and Executive Pay'

Ray Riezman, University of Iowa

'Sources of Protectionist Drift in Representative Democracies'

Baboo Nowbutsing, University of Nottingham

'Experiments in International Trade'

Ian Wooton, University of Glasgow

'Regional Tax Co-ordination and Foreign Direct Investment'

Richard Disney, GEP, University of Nottingham

'New Methods of Estimating Public Sector Mark-up' or 'Are Sue Berry and I Overpaid?'

Giulia Faggio, London School of Economics

'FDI and Wages in Central and Eastern Europe'

Gilles Duranton, London School of Economics

'Communication Externalities in Cities'

Theofanis Mamuneas, University of Leicester

'Economic Development and the Return to Human Capital'

Carl Davidson, Michigan State University and GEP

'Strategic Second Sourcing by Multinationals'

Sjef Ederveen, CentraalPlanBureau, Holland (with N. Barsley, Nottingham)

'The Influence of Wage and Unemployment Differentials on Labour Mobility in the EU: A Meta-Analysis'

Steve Matusz, Michigan State University

'Compensated Trade Reform and the Median Voter'

cont'd/.....

Arijit Mukherjee, GEP, Nottingham

'Is the North better off under a product patent in the South?'

Andrew Leyshon, School of Geography, University of Nottingham

'Ecologies of Retail Financial Services'

Mark Melatos, University of Sydney

'Modelling Customs Union Formation'

Michael Gasiorek, Sussex University

'Rules of Origin and Trade: The EU and the Southern Mediterranean'

Tony Venables, London School of Economics

'Timeliness, Trade and Agglomeration' (with James Harrigan, New York Fed)

Toby Kendall, University of Birmingham

'Regional Integration and Market Entry with Costly Technology Transfer'

Paola Conconi, Université Libre de Bruxelles and University of Warwick

'Self-Enforcing International Agreements and Domestic Policy Credibility'
(with Carlo Perroni, Warwick)

Richard Kneller, GEP, University of Nottingham

'No Miracles Here: Trade Policy, Fiscal Policy and Economic Growth'

Peter Neary, University College Dublin

'Cross-Border Mergers as Instruments of Comparative Advantage'

Kala Krishna, Penn State University

'When Trade Hurts: Consumption Indivisibilities and Labor Market Distortions'

Robert Read, Lancaster University

'FDI and Linkages in Small States: Some Evidence from the Pacific' (with Nigel Driffield, Birmingham)

Marta Aloi, GEP, University of Nottingham

'International Factor Mobility and Indeterminacy: The Role of Labour Market Rigidities' (with Teresa Lloyd-Braga, Catholic University of Lisbon)

Rob Elliott, University of Birmingham

'US Specialisation in Pollution Intensive Industries: Factor Intensities versus Environmental Regulations' (with Matt Cole, Birmingham)

APPENDIX 10

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

Aloi, M., 'International Factor Mobility and Indeterminacy: The Role of Labour Market Rigidities', European Trade Study Group Annual Conference, Madrid.

Bougheas, S., 'Trade Credit, Bank Lending and Monetary Policy Transmission', European Economic Association Congress, Stockholm.

Bougheas, S., 'Trade, Human Capital and Inequality', Mid-West International Economics Meetings, Pittsburgh.

Bougheas, S., seminar on 'Trade, Human Capital and Inequality' at Michigan State University.

Cornes, R.C., seminar on 'Tullock Contests: Theme with Variations' at Durham University.

Cornes, R.C., seminar on 'Modelling Aggregative Games' at the University of Melbourne.

Cornes, R.C., seminar on 'Tullock Contests: Theme with Variations', University of Melbourne and University of Sydney.

Cornes, R.C., 'Aggregative Public Goods Games', Econometrics Society meetings in Sydney.

Dijkstra, B., 'Pollution and the City', Spatial Environmental Economics Workshop, Heidelberg.

Dijkstra, B., 'Samaritan vs. Rotten Kid: Another look', European Economics Association Conference, Stockholm.

Dijkstra, B., seminar on 'Samaritan vs Rotten Kid: Another Look' at University of East Anglia.

Dijkstra, B., 'Time consistency and investment incentives in environmental policy' and 'An investment contest to influence environmental policy' at the European Association of Environmental and Resource Economists, Bilbao.

Dijkstra, B., seminar on 'An Investment Contest to Influence Environmental Policy' at Chemnitz University of Technology.

Duncan, A.S., 'Is There an Emerging Consensus in 'Making Work Pay' Policies?', Political Economy of Policy Transfer, Learning and Convergence Workshop, Tulane University.

Duncan, A.S., 'International Policy Transfer and Welfare Reform' at the 'Pursuing Opportunity and Prosperity' Conference at the University of Melbourne.

- Falvey, R.E., 'Market Size and Antidumping in Duopolistic Competition', European Trade Study Group Annual Conference, Madrid.
- Ferrett, B.E., 'Intra- and Inter-Firm Technology Transfer in an International Oligopoly', European Trade Study Group Annual Conference, Madrid.
- Ferrett, B.E., 'Greenfield Investment versus Acquisition: Positive Analysis', European Association for Research in Industrial Economics (EARIE), Helsinki School of Economics.
- Ferrett, B.E., 'Greenfield Investment versus Acquisition: Positive Analysis', Midwest International Economics Group, Indiana University, Bloomington, USA.
- Ferrett, B.E., seminar on 'Greenfield Investment versus Acquisition: Positive Analysis' at Michigan State University.
- Görg, H., seminar on 'Government grants, plant survival and employment growth: A micro-econometric analysis' at Università degli Studi di Bologna.
- Görg, H., seminar on 'Foreign direct investment, spillovers and absorptive capacity: Evidence from quantile regressions' at Trinity College Dublin.
- Görg, H., seminar on 'Price cost margins and exporting behaviour: Evidence from firm level data' at the Institute for International Integration Studies, Dublin.
- Görg, H., 'Does outsourcing increase profitability?', European Association for Research in Industrial Economics (EARIE), Helsinki School of Economics.
- Görg, H., 'International outsourcing and productivity: Evidence from plant level data', Workshop on Outsourcing and the Labour Market', Innsbruck.
- Görg, H., 'Government grants, plant survival and employment growth: A micro-econometric analysis' at Workshop on International Competition, Technical Progress and Productivity, Örebro.
- Görg, H., 'Does outsourcing affect wages? New evidence from German micro data' at a Workshop on Fragmentation, Claremont McKenna College, California.
- Görg, H., 'Foreign direct investment, spillovers and absorptive capacity: Evidence from quantile regressions' at the Comparative Analysis of Enterprise (micro) Data Conference, London.
- Görg, H., seminar on 'Fancy a stay at the Hotel California? Foreign direct investment, investment incentives and exit costs' at the World Bank, Washington DC.
- Görg, H., 'Fancy a stay at the Hotel California? Foreign direct investment, investment incentives and exit costs' at the Empirical Investigations in International Trade 2003 Conference, Purdue University.

- Greenaway, D., 'Participation in Export Markets and Productivity in UK Manufacturing', European Trade Study Group Annual Conference.
- Greenaway, D., presented a course of lectures on 'International Trade Theory and Policy' on the Advanced Studies Programme, Institut für Weltwirtschaft, Kiel University.
- Greenaway, D., seminar on 'Exporting and Productivity Growth', University of Lausanne.
- Greenaway, D., (with B. Chapman) 'Learning to Live with Loans? Policy Transfer and the Funding of Higher Education', Political Economy of Policy Transfer, Learning and Convergence Workshop, Tulane University.
- Greenaway, D and R. Kneller seminar on 'Exports Markets and Productivity' at a British Trade International Board meeting.
- Greenaway, D., introductory paper at the World Commission for the Social Dimensions of Globalisation Workshop on 'Globalisation and Labour Market Adjustment in Developing Countries' at the Department for International Development.
- Hijzen, A., 'Trade in Intermediates and Relative Wages in General Equilibrium: A GDP Function Approach', European Trade Study Group Annual Conference, Madrid.
- Hijzen, A., 'Fragmentation, Productivity and Relative Wages in the UK: A Mandated Wage Approach', Annual Meeting of the European Economic Association, Stockholm.
- Hijzen, A., 'Fragmentation, Productivity and Relative Wages in the UK: A Mandated Wage Approach', Workshop on "Outsourcing and the Labour Market", Innsbruck.
- Hijzen, A., 'Fragmentation, Productivity and Relative Wages in the UK: A Mandated Wage Approach', Royal Economic Society Annual Conference, Warwick.
- Kneller, R., 'Do Exporters Have Anything to Learn from Foreign Multinationals?', (with Sourafel Girma and Mauro Pisu), HWWA conference on the Effects of Foreign Multinationals on Domestic Firms, Hamburg, Germany.
- Kneller, R., 'Exports versus FDI: An Empirical Test', European Trade Study Group Annual Conference, Madrid.
- Kneller, R., seminar on 'No Miracles Here: Trade Policy, Fiscal Policy and Economic Growth' at Manchester Metropolitan University.
- Kreickemeier, U., 'Globalisation and Factor Returns in Competitive Markets', Econometric Society European Meeting, Stockholm.

- Kreickemeier, U., 'A General Model of Fair Wages in an Open Economy', European Economic Association Congress, Stockholm.
- Kreickemeier, U., 'Globalisation and Factor Returns in Competitive Markets', Midwest International Economics Meetings, Pittsburgh.
- Kreickemeier, U., 'Efficiency Wages in a Global Economy', European Trade Study Group Annual Conference, Madrid.
- Kreickemeier, U., 'Globalisation and Factor Returns in Competitive Markets', Passau Workshop on International Economics.
- Kreickemeier, U., seminar on 'Efficiency Wages and Unemployment in a Global Economy' at the London School of Economics.
- Li, X., 'Imports of Services and Economic Growth: A Dynamic Panel Approach', EU SETI Project Meeting, Rome.
- Li, X., 'Imports of Business Services and Economic Growth: A Causality Test for Panel Data', University of Sussex.
- Milner, C.R. (with M. Henry and R. Kneller), 'Openness, Institutions, Geography and TFP Growth: A Threshold Regression Analysis' IESG Annual Conference, Bath University.
- Milner, C.R., 'Learning, Herding or Coercion? The Case of the Trade Policy Revolution in Sub-Saharan Africa', Conference on Internationalisation and Policy Transfer, Tulane University.
- Milner, C.R. (with M. Henry and R. Kneller), seminar on 'Technology Transfer and National Efficiency in Developing Countries: The Role of International Trade' at Lancaster University.
- Milner, C.R. (with M. Henry and R. Kneller), seminar on 'Technology Transfer and National Efficiency in Developing Countries: The Role of International Trade' at the Centre for the Study of African Economies, University of Oxford.
- Milner, C.R. (with M. Henry and R. Kneller), 'Technology Transfer and National Efficiency in Developing Countries: The Role of International Trade' at the 8th European Workshop on Efficiency and Productivity Analysis, Oviedo, Spain.
- Mirza, D., 'The Role of Demand in the Adjustment of Employment to Trade' European Economic Association Congress, Stockholm.
- Mirza, D., 'What is So Special about Trade in Services?', European Trade Study Group Annual Conference, Madrid.
- Mirza, D., 'What is So Special about Trade in Services?', Midwest International Economics Meetings, Pittsburgh.

- Mukherjee, A., 'Licensing in a Vertically Separated Industry', North American Summer Meeting of the Econometric Society, Kellogg School of Management, USA.
- Mukherjee, A., 'Licensing and the Incentive for Innovation', Workshop on Licensing, Università Cattolica, Milan.
- Mukherjee, A., 'Foreign Direct Investment and Export Under Imperfectly Competitive Host-Country Input Market', Conference on 'Institutions, Industry, Trade and Finance' at the Centre for Studies in Social Sciences, Kolkata, India.
- Nelson, D., 'Intra Industry Specialisation, Productivity and Relative Wages', European Trade Study Group Annual Conference, Madrid.
- Nelson, D., 'Characterising International Policy Learning', Political Economy of Policy Transfer, Learning and Convergence Workshop, Tulane University.
- Pisu, M., 'Firms' Labour Demand Elasticity and International Trade', European Trade Study Group Annual Conference, Madrid.
- Upward, R. visited the Institute for Employment Research and Erlangen University in Nuremberg.
- Upward, R., 'Why do job-seekers and vacancy hazards slope downwards? Estimating a two-sided search model of the labour market' European Association of Labour Economists, Universidad Pablo de Olavide, Seville.
- Upward, R., 'Testing models of labour market matching' Econometric Society European Meetings, University of Stockholm.
- Upward, R., 'Testing models of labour market matching' Royal Economic Society Annual Conference, University of Warwick.
- Wright, P.W., 'Regional Mobility and Unemployment Transitions in the UK and Spain', Royal Economic Society Annual Conference, Warwick.
- Wright, P.W., seminar on 'Chutes or Ladders?: Skill Upgrading and Occupational Mobility in the US and UK during the 1990s' at Michigan State University.
- Wright, P.W., seminar on 'Chutes or Ladders? Skill Upgrading and Occupational Mobility in the US and UK during the 1990s' at Tulane University.

APPENDIX 11

Visitors to GEP in 2003

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| January 2003: | Professor Ray Riezman, University of Iowa |
| March 2003: | Professor Carl Davidson, Michigan State University, and Professor Todd Sandler, University of Southern California |
| April 2003: | Dr Joakim Gullstrand, Lund University |
| May 2003: | Professor Steve Matusz, Michigan State University Professor Bob Anderton, European Central Bank Professor Wolfgang Keller, University of Texas Dr Catia Montagna, Dundee University |
| June 2003: | Professor Richard Freeman, Harvard University Dr Mark Melatos, University of Sydney |
| October 2003: | Professor Marc Melitz, Harvard University |
| November 2003: | Professor Kala Krishna, Penn State University |

GEP Contacts

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: Mr Alex Hijzen
e-mail: alexander.hijzen@nottingham.ac.uk
Tel. 44 (0)115 8466447
Fax. 44 (0) 115 9515552

Seminar Series: Dr Ben Ferrett
e-mail: ben.ferrett@nottingham.ac.uk
Tel. 44 (0)115 8467347
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