



The University of
Nottingham



Leverhulme Centre
for Research on Globalisation and Economic Policy

Leverhulme Centre for Research on Globalisation and Economic Policy

University of Nottingham

2006 ANNUAL REPORT TO THE LEVERHULME TRUST

ACKNOWLEDGEMENTS

Since its establishment, core funding for the Centre has been provided by The Leverhulme Trust under Programme Grant F114/BF. In Spring 2006, the Trust confirmed ongoing support with the award of further Programme funding, in response to our proposal 'Surviving and Succeeding in a Globalised World'. The Centre was awarded a further £1.5m, under Programme Grant F/00 114/AM, for a broadening of research on the existing Research Programmes and to develop a new Research Programme on 'China and the World Economy'.

We are immensely grateful to the Trustees for their continuing confidence in the Centre. We would also like to express our gratitude to the Trust's Director, Sir Richard Brook, for the keen interest he takes in GEP and for his continued advice and support.

This year, the GEP Strategic Advisory Board had its first meeting. We are grateful for the support of its Chair, Sir Nicholas Stern and to the Board Members, for their valuable advice and guidance.



The 2006 GEP Research Retreat

**LEVERHULME CENTRE FOR RESEARCH ON GLOBALISATION AND
ECONOMIC POLICY (GEP):
2006 ANNUAL REPORT TO THE LEVERHULME TRUST**

CONTENTS

	Page
A. Director's Introduction	1
B. The GEP Research Programmes	2
C. GEP Internal Research Fellows	7
D. Investment in Research Capacity	9
E. GEP External Research Fellows and Visitors	10
F. Published Output in 2006	12
G. Conferences and Seminars	12
H. GEP Public Lectures	14
I. Influencing Policy: User Engagement and Outreach	16
J. Management of GEP Resources and Activities	17
K. The Year Ahead	19
Appendix 1 – GEP Research Papers in 2006	
Appendix 2 – Published Output of Internal Research Fellows in 2006	
Appendix 3 – GEP Fifth Annual Postgraduate Conference Programme	
Appendix 4 – Frontiers in International Trade Workshop Programme	
Appendix 5 – GEP Conference for 6 th Form Students	
Appendix 6 – June 2006 GEP Conference Programme	
Appendix 7 – November 2006 GEP Conference Programme	
Appendix 8 – May 2006 Research Retreat Programme	
Appendix 9 – GEP Seminars at Nottingham	
Appendix 10 – Presentations at Conferences and Seminars by Internal Research Fellows	
Appendix 11 – Visiting Researchers in 2006	
Appendix 12 – Meetings with Policy Making Community	
GEP Contacts	

A. DIRECTOR'S INTRODUCTION

I am delighted to introduce the 2006 Annual Report for GEP. It is clear from a succession of previous Annual Reports that GEP has grown year-on-year in terms of the volume and quality of its research and outreach activity. 2006 has seen a continuation of that trend and has been an excellent year. I am particularly pleased at the increased interest shown in the Centre by colleagues from the policy-making community, business and the media.

The award by The Leverhulme Trust of a further £1.5m of Programme funding is very welcome and provides us with the capacity and confidence to plan strategically for the longer term and to further broaden GEP's research agenda.

At this stage in GEP's development, we considered it appropriate to engage support from a high-level Strategic Advisory Board, which met for the first time in May. We were delighted that Sir Nicholas Stern accepted our invitation to Chair this Board and equally pleased to have attracted such a high calibre group of colleagues from academia, industry and the media as Members. The first meeting of this Board provided an excellent start and we look forward to continuing advice from Board Members.

This year GEP has broadened its scope and expanded its interaction with other research centres and other sectors. GEP's activities are monitored worldwide and there is consistent evidence of extensive interest in the Centre. I am immensely grateful to The Leverhulme Trust for our core funding and indebted to Sir Richard Brook for his vision, advice and support. My thanks go also to research colleagues in GEP for their contribution to the impact GEP is making in both the academic and policy making communities and to Sue Berry and Julie Freer for their outstanding administrative support.



**Professor David Greenaway,
Director**

B. THE GEP RESEARCH PROGRAMMES

GEP's research activities in 2006 were co-ordinated through four Programmes of work: *Theory and Methods*, *Globalisation*, *Productivity and Technology*, *Globalisation and Labour Markets*, and *China and the World Economy*.

Theory and Methods

Research within the **Theory and Methods** (TM) Programme can be categorized along two strands: general equilibrium analysis and applied game theory. The former focuses on interdependencies between markets of national and/or international domains. Applied game theory addresses questions of strategic interactions between national and/or multinational firms, government agencies or both. Some highlights can illustrate current work in these fields.

David Greenaway, Rod Falvey and Zhihong Yu investigated international technology differences in general equilibrium models with heterogeneous firms. Their research focuses on the implications of differences in technologies and market sizes on trade and the effects of trade on industry productivity. Some of their work also looks at the implications of technology uncertainty for firm selection between exporting and foreign direct investment.



**Professor Daniel
Bernhofen
TM Programme
Co-ordinator**

Udo Kreickemeier progressed new research on the impact of globalisation, in the form of increased goods market integration, on national labour markets characterized by involuntary unemployment. This research identifies conditions under which globalisation will either create or destroy jobs in the local economy. In another line of research, Udo investigates whether the types of tariff reforms that the IMF proposes to developing economies are still optimal in the presence of international capital mobility.

Daniel Bernhofen's research investigates patterns of trade predictions of the neoclassical trade model. His emphasis is on theoretical specifications that have less restrictive assumptions about the international trading regime than is usually found in the literature and he tests theoretical predictions with contemporary and historical data sets.

GEP research in international game theory focuses on globalisation incentives in

industries under oligopolistic market structures. Arijit Mukherjee and Kullapat Suetrong investigate the effects of lower trade costs and technology licensing on firms' incentives to penetrate foreign markets via foreign direct investment. In related work with Alessandra Guariglia, the authors study potential conflicts between plant location decisions of multinationals and host countries' welfare.

The 'Pollution Haven Hypothesis' refers to the notion that a lack of environmental regulation attracts investment from foreign polluters and is a contentious issue in the global environmental debate. Motivated by the fact that there is very little hard empirical evidence for the 'Pollution Haven Hypothesis', Bouwe Dijkstra, Arijit Mukherjee and Anuj Mathew examine how environmental regulations affect the location decisions of global oligopolistic firms. Allowing for strategic interactions between foreign industry and host government, their research shows that firms might actually want to locate to countries with stricter environmental regulations.

The Theory and Methods Programme looks forward to organising two conferences in 2007. GEP's annual two-day residential conference in June will bring together scholars from around the globe to examine 'New Directions in International Trade Theory'. The second conference, to be held in November, will focus on 'Globalisation and Migration'.

Globalisation, Productivity and Technology

The **Globalisation, Productivity and Technology** Programme examines the impact of globalisation on the behaviour of firms in terms of production choices and productivity as well as other indicators of firm performance. In particular,



Dr Holger Görg
GPT Programme
Co-ordinator

research focuses on the role of exporting, foreign direct investment and international outsourcing. Research in this programme uses both theoretical modelling and econometric analysis of large micro level data sets. Much of the empirical work is based on data for the UK, using official data available from the Office for National Statistics or commercial databases. However, research also looks at other countries to provide a comparative dimension to our work.

The impact of *exporting* on firm performance continues to be an important theme. Recent work has focussed on measuring the entry cost of exporting in order to understand why some firms export and others do not. Although the presence of

trade costs (i.e. sunk and variable costs) is essential to explain different export choices that firms with different levels of productivity make, little is known about them. In a recent paper, Kneller, Pisu and Yu provide evidence on one particular aspect of these, namely overseas trading costs. Firstly, they model theoretically the effect of a reduction in the cost of doing business in foreign countries. Secondly, using data for UK manufacturing firms they test these predictions. Amongst other things they find that improvements in the business environment of foreign countries leads to an increase in the export intensity of established exporters rather than additional export market entry; and that exports responded most to changes in the rules governing ownership, labour market regulation and international capital markets. On the same issue, Görg, Henry and Strobl investigate whether government support can act to increase exporting activity. They use a uniquely rich data set on Irish manufacturing plants and find that, provided grants are large enough they can encourage already exporting firms to compete more effectively on the international market. However, there is little evidence that grants encourage non-exporters to start exporting.

Researchers have also made progress in understanding the effects of *inward foreign direct investment* on the UK economy. Girma and Görg use official plant level data from the Office for National Statistics to investigate the effect of a foreign takeover on the domestic target plant in the UK. From their econometric investigation they find that any positive impact of ownership change is predominantly due to a change in technical efficiency, rather than pure scale effects, and that these productivity growth effects are not confined to the year of acquisition, and persist through time. Ferrett, Girma, Görg and Maioli use similar data to look at the competitive effect of inward FDI. They find robust evidence that greenfield FDI has a disciplining effect on domestic firms price-cost margins, whilst acquisition FDI increases price-cost margins.

Globalisation and Labour Markets

The **Globalisation and Labour Markets** Programme examines the consequences of increased globalisation for labour market structures and outcomes. This work has both theoretical and empirical components.

Paulo Bastos, Udo Kreickemeier and Peter Wright have been analysing the impact of changes in product market competition on wage outcomes in the presence of an open shop union. They argue that increased product market competition may not only affect firm profits but also payoffs in the event of a dispute, with



Dr Peter Wright
GLM Programme
Co-ordinator

competing foreign firms stepping in to meet any shortfall in production. Hence increased competition may improve the union's bargaining position and wage levels. The model is therefore able to accommodate the mixed empirical findings on the impact of product market competition on union wages. The authors are currently attempting to examine these predictions empirically.

Udo Kreickemeier (with Steffi Schoenwald) has continued previous work that sought to enrich labour market analysis in trade models. He develops a multi-sector multi-factor model of a small open economy, which allows him to analyse the labour market effects of changes in unemployment benefits and domestic labour supply on unemployment and ascertain the sensitivity of previous theoretical results to assumptions about factor price adjustments.

Carl Davidson and Steve Matusz (with Andrei Shevchenko) have modelled the impact of globalisation on wages earned by low and high-skill workers when openness leads to outsourcing of high-tech jobs abroad. In this context, for example, radiography scans are increasingly being sent overseas for analysis. They show that high skill workers, if they become pessimistic about employment prospects, may start accepting low-tech jobs. This switch in behaviour can bring about general equilibrium responses from the firm side of the labour market through adoption of less sophisticated technology. This improves the outside options for low-skill workers which can make them considerably better off after globalisation.

Marta Aloi (with Teresa Lloyd-Braga) has examined how global economic integration affects the stability of the macroeconomy when countries differ in their labour market institutions. They show that liberalisation of capital movements may be accompanied by persistent fluctuations at the world level, though these effects can be stabilised if labour mobility is also facilitated.

Sara Maioli (with Hervé Boulhol and Sabien Dobbelaere) empirically tests the pro-competitive effect of trade in UK manufacturing. She simultaneously estimates the wage mark-up and workers' bargaining power parameters for twenty manufacturing sectors and relates these to trade variables. Her results show that imports from developed countries have significantly decreased both the mark-ups and workers' bargaining power in the mid-1990s.

Holger Görg (with Paolo Figini) analysed the relationship between inward foreign direct investment and wage inequality, using a panel of more than 100 countries for the period 1980 to 2002, and found that the effect of FDI differs according to the level of development. In developing countries, wage inequality increases with FDI inward stock but this effect diminishes with further increases in FDI. For developed countries, wage inequality decreases with FDI.

Alexander Hijzen, Richard Upward and Peter Wright have been examining the impact of services off-shoring on job security, where the latter is defined as the probability of job loss. To this end they make use of a unique new dataset for the United Kingdom which combines linked employer-employee information with firm level data on trade in services. They find that whilst jobs may have become somewhat less secure in recent years, services off-shoring has not contributed to this trend. Indeed off-shoring appears to be associated with greater job stability.

China and the World Economy

The **China and the World Economy** programme, was launched in autumn 2005 in response to growing research and policy interest in China's rapid integration into the global economy. It has made steady progress in building research capacity and links during the last year. There have also been a number of new initiatives and developments that will give further impetus to the Programme in 2007.



**Professor Chris
Milner
CWE Programme
Co-ordinator**

GEP's research capacity has been significantly enhanced by securing Professor Shujie Yao (Professor of Economics and Chinese Sustainable Development and Head of the University's School of Contemporary Chinese Studies) and Professor Lina Song (Professor of China Studies in the School of Sociology and Social Policy) as Internal Research Fellows. It has also been strengthened by the appointment of Dr Zhihong Yu to a five year RCUK Research Fellowship to work on China-related research. These are in addition to the research fellowship in place at the start of the year (working on anti-dumping measures against Chinese exporters) and three PhD students working on: the Asian export displacement effect of China; the environmental impact in China of changing trade specialisation; and the effects of exporting on the financial constraints faced by Chinese firms. These research projects are ongoing, along with a new one that began in September 2006 on the impact of 'lumpiness' in the allocation of factors during the Chinese reforms on China's pattern of comparative advantage and trade.

In last year's Annual Report we noted the establishment of a research link with the Institute of World Economics at Fudan University. This has progressed, and a joint Fudan/GEP conference on 'EU-China Trade Relations' will take place in May 2007 in Shanghai. Papers will be presented by researchers from Fudan and GEP, but also from Australia, Hong Kong, Thailand and other UK universities.

We also reported last year on preparations for a formal link with Nihon University in Tokyo. This has now been realised following the launch of the Centre for China and Asian Studies within the College of Economics at Nihon, which Chris Milner and Richard Kneller from GEP attended in December 2006.

The other major networking activity to report on from last year was the first 'China and the World Economy' conference, held in Nottingham in June and co-hosted by GEP and the Murphy Institute of Tulane University. The two-day event, convened by Chris Milner and Doug Nelson, attracted speakers from the USA, Europe and the UK. The quality of the contributions and discussion was very high, and provided GEP researchers with an excellent opportunity to interact with leading researchers in the field. Some of the contributors to this conference have subsequently agreed to contribute to an edited volume GEP is publishing with Palgrave on 'China and the World Economy'.

Further conference activity is planned for 2007 including, the sponsorship by GEP of the Chinese Economics Association (UK) Annual Conference, which will be held at Nottingham in April 2007 on the theme of 'Integrating China into the World Economy'. David Greenaway is one of the keynote speakers at the Conference, and Chris Milner one of the conference organisers. Again this will be an excellent opportunity to showcase some of the research underway within GEP on 'China and the World Economy' and to interact with other UK and international researchers.

C. GEP INTERNAL RESEARCH FELLOWS

GEP is recognised as having the largest cluster of economists in Europe working on globalisation issues, and one of the largest globally. In total there are 26 researchers based at Nottingham, ten of whom are full-time Post Doctoral Research Fellows, the other 16 being economists in the University of Nottingham whose research is focused on and co-ordinated by GEP.

The list of Internal Research Fellows below shows those currently in post as well

as some who worked within GEP in 2006 and have now moved on to new positions. Five of GEP's Research Fellows came to the end of their fixed-term contracts: Alex Hijzen and Mauro Pisu left Nottingham in August to take up research positions at the OECD in Paris and the National Bank of Belgium in Brussels respectively. Both retain an active affiliation to GEP and an involvement in its research and outreach activities. Sara Maioli, on completion of her contract, joined the University of Newcastle as a Lecturer in Economics. Baboo Nowbutsing and Sarut Wittayarungruang's contracts ended in November 2006 and they returned to their home countries of Mauritius and Thailand where they have taken up posts at the University of Mauritius and the Fiscal Policy Research Institute (supported by the Thai Ministry of Finance).

Zhihong Yu, on completion of his ESRC Post-Doctoral Research Fellowship, successfully applied for a Research Councils UK Research Fellowship, which is a prestigious five-year Fellowship to be based in GEP. Finally, Agelos Delis became the Centre's newest recruit when he joined in December as a Research Fellow.

The full list of GEP Internal Fellows for 2006 is:

GEP Internal Research Fellows

Professor David Greenaway (Director)	Professor of Economics
Dr Marta Aloï	Lecturer in Economics
Professor Daniel Bernhofen	Leverhulme Professor of International Economics
Dr Spiros Bougheas	Associate Professor in Economics
Professor Richard Cornes	Professor of Economic Theory
Mr Agelos Delis	Research Fellow
Dr Bouwe Dijkstra	Lecturer in Economics
Professor Rod Falvey	Professor of International Economics
Dr Ben Ferrett	Research Fellow
Dr Switgard Feuerstein	EU Marie Curie Research Fellow
Dr Holger Görg	Associate Professor and Reader in Economics
Dr Alessandra Guariglia	Associate Professor and Reader in Economics
Dr Alex Hijzen	Research Fellow (joined OECD in August 2006)
Dr Richard Kneller	Associate Professor in Economics
Dr Udo Kreickemeier	Associate Professor in Economics
Dr Sara Maioli	Research Fellow (joined Newcastle University in October 2006)
Professor Chris Milner	Professor of International Economics
Dr Pedro Moncarz	Research Fellow
Dr Arijit Mukherjee	Associate Professor in Economics

Professor Doug Nelson
Dr Baboo Nowbutsing

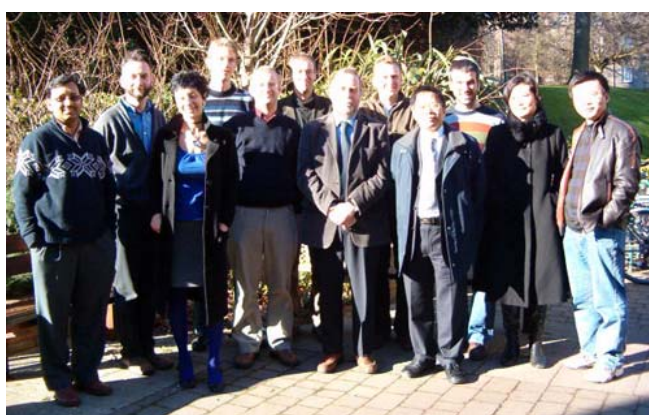
Dr Mauro Pisu

Dr Richard Upward
Dr Sarut Wittayarungruangsi

Dr Peter Wright

Dr Zhihong Yu

Professorial Research Fellow
Research Fellow (joined University of
Mauritius in November 2006)
Research Fellow (joined National Bank of
Belgium in August 2006)
Associate Professor in Economics
Research Fellow (joined Fiscal Policy
Research Institute in November 2006)
Associate Professor and Reader in
Economics
ESRC Research Fellow



**Internal Research
Fellows**

D. INVESTMENT IN RESEARCH CAPACITY

GEP continues to attract high quality applicants and visitors. This year has seen the establishment of two new initiatives in this regard. Dr Switgard Feuerstein from the University of Erfurt was awarded an EU Marie Curie Research Fellowship, with which she chose to spend a research period at GEP. We were delighted to support Dr Feuerstein in this way. She joined us in September 2006 for an 18-month period and has been fully engaged in GEP's activities.

In addition, we were delighted to accept applications from PhD Students across Europe to spend a semester at GEP as Visiting Pre-doctoral Fellows. Ingo Borchert (University of St Gallen), Benjamin Jung (Eberhard Karls University, Tübingen) and Balázs Muraközy (Central European University in Budapest) spent the Autumn Term of 2006 at GEP, on the recommendation of their Supervisors at their home institutions.

GEP continues to support its own cadre of PhD students. Four more completed their PhD this year; and we have supported five new starters from September.

GEP PhD research students are fully involved in its research and outreach activities. We are delighted that two of our completing students, Paulo Bastos and Joana Silva, will be joining GEP at the turn of the year as Research Fellows; Paulo Bastos having applied for the advertised post of Early Career Development Fellow and Joana Silva being awarded an extremely competitive, two year ESRC Research Fellowship.



**GEP Postgraduate
Research Students**

As in past years we have invested in supporting participation by our PhD students in major national and international conferences as well as sponsoring a major Postgraduate Conference at Nottingham. The latter has rapidly gained international credibility and attracted 57 participants this year.

We are delighted that our younger research staff have secured good positions following their first appointments in GEP. One of GEP's goals continues to be development of young researchers at the early stage of their careers and the success of these colleagues is testament to the success of this policy.

E. GEP EXTERNAL FELLOWS AND VISITORS

Since its establishment, a major priority of GEP has been to attract leading international researchers to spend time at the Centre. As well as exposing GEP Researchers to cutting edge work underway elsewhere, it also helps younger researchers integrate into many of the most important international networks.

We have therefore created and sustained a vibrant network of External Research Fellows, comprised of leading researchers based at Universities elsewhere who are formally affiliated with GEP and contribute to its research and outreach programmes. They add great value to the Centre and are involved in a growing number of collaborations with *GEP Internal Research Fellows*. Our current cadre of External Fellows comprises:

GEP External Research Fellows

Professor Bruce Blonigen, University of Oregon
Professor John Brown, Clark University
Professor Marius Brühlhart, University of Lausanne
Professor Paul Collier, University of Oxford
Professor Carl Davidson, Michigan State University
Professor Alan Deardorff, University of Michigan
Dr Hartmut Egger, University of Zurich
Professor Peter Egger, University of Munich
Dr Robert Elliott, University of Birmingham
Professor Simon Evenett, University of St Gallen
Dr Joakim Gullstrand, Lund University
Professor Jonathan Haskel, Queen Mary and Westfield College
Professor Wolfgang Keller, University of Colorado at Boulder
Professor Wilhelm Kohler, Eberhard Karls University, Tübingen
Dr Maurice Kugler, University of Southampton
Professor Steven Matusz, Michigan State University
Dr Daniel Mirza, University of Rennes
Dr Catia Montagna, University of Dundee
Professor Pascalis Raimondos-Møller, Copenhagen Business School
Professor Ray Riezman, University of Iowa
Dr Fredrik Sjöholm, Stockholm School of Economics
Professor Constantinos Syropoulos, Drexel University
Professor Mathew Tharakan, University of Antwerp
Professor Vitor Trindade, University of Missouri
Professor Jim Tybout, Penn State University
Professor Rod Tyers, Australian National University
Professor Hylke Vandenbussche, Catholic University of Leuven
Professor Ian Wooton, University of Strathclyde
Dr Zhihao Yu, Carleton University

GEP benefits greatly from their contribution, which provides rich opportunities for close working relationships with distinguished colleagues from other institutions worldwide. We value their participation in GEP conferences and seminars as well as the opportunity to work together on our research agenda more broadly.

Our most recent addition to this network is Vitor Trindade (University of Missouri) who accepted an invitation to become an External Research Fellow following an extremely productive visit he made to Nottingham this year. A list of visitors in 2006 is provided in Appendix 11.



**Vitor Trindade (right)
with Daniel Bernhofen**

F. PUBLISHED OUTPUT IN 2006

Fifty papers were published this year in the *GEP Research Papers Series*. These are widely distributed electronically, via the GEP web site. They continue to enjoy a high 'hit rate' and are cited extensively. Full details of the 2006 papers are set out in Appendix 1. These papers are ultimately published in leading peer reviewed journals. This year's publications are set out in Appendix 2 and include papers in the *European Economic Review*, *Economic Journal*, *Journal of International Economics*, *Journal of Development Economics*, *European Journal of Political Economy* and *International Economic Review*.

In addition, a number of new books are in preparation, including a volume on China and one on Globalisation and Labour Markets.

The quarterly *GEP Newsletter* continues to enjoy an increasingly large readership in the academic and policy-making communities. The Newsletter has seen further innovation and improvement under the Editorship of Mauro Pisu, to whom we are grateful. Mauro was succeeded as Newsletter Editor by Joana Silva in October 2006.



Joana Silva



GEP Newsletter

G. CONFERENCES AND SEMINARS

Conferences Hosted

This year GEP hosted five conferences. In April we held our Fifth Annual GEP Postgraduate Conference, convened by Sara Maioli. This conference has proved increasingly popular and attracts high quality applicants worldwide. This year there were 13 papers presented by postgraduate research students from 9 countries. There is a rigorous selection process from submitted papers and we increasingly have to disappoint a significant number of applicants. Given the

quality of submissions, we have decided on a lengthening of the programme for 2007 from one to two days. The Conference programme for 2006 is at Appendix 3.



Delegates at the Fifth Annual Postgraduate Conference

In May, David Greenaway organised a Conference on 'Frontiers in International Trade', involving Carl Davidson (Michigan State University), Jim Tybout (Penn State University), Peter Egger (University of Munich), Gianmarco Ottaviano (Bologna University) and four GEP 'internal' speakers. See Appendix 4 for full details.

In recognition of the need to attract students to Economics as a discipline and to increase awareness of globalisation issues, GEP organised its first conference for sixth form school students in June. Five GEP staff addressed an audience of 160, populated by students from six schools in the Midlands. The programme is at Appendix 5. Feedback from the students and their teachers was excellent and recorded increased interest in Economics from a good percentage of those who attended. In response to demand, a similar but larger event is planned for 2007.

As part of the initiation of GEP's Research Programme on *China and the World Economy*, GEP's annual residential conference in June 2006 was on that topic. Convened by Chris Milner and Doug Nelson, eleven speakers participated in what was a well received programme and an excellent networking opportunity for colleagues working on aspects of the impact of globalisation on China. The Conference programme is at Appendix 6.

Finally, in November, the *Globalisation and Labour Markets* Programme convened a one-day event on 'The Impact of International Competition on Firms and Workers', again involving a mix of internal and external speakers. As well as

attracting high quality academic participants this also generated significant interest from the policy community. The programme is at Appendix 7.

Seminars

GEP's weekly seminar programme was again organised by Ben Ferrett. Full details of the 2006 programme are listed in Appendix 9. A total of 28 seminars were presented, 23 by non-Nottingham based speakers. The weekly seminar is an important networking opportunity. It provides a forum for overseas visitors to speak to GEP staff and postgraduate students and also attracts other speakers from the UK and Europe.

In addition to the weekly seminar, we also hold a monthly lunchtime workshop at which GEP Research Fellows and postgraduate students report on work in progress. This has been organised by Mauro Pisu and was initiated at the suggestion of one of our External Fellows from the US during his participation at a GEP Research Retreat.

Conferences and Seminar Presentations Elsewhere by GEP Researchers

2006 was a busy year for GEP Research Fellows speaking at key international conferences, including the annual conferences of the European Economic Association, Royal Economic Society, Econometric Society European Meetings, Econometric Society North American Meetings, European Trade Study Group and Midwest International Economics Meetings. They also included many presentations at leading Universities and research institutes. Appendix 10 provides details.

H. GEP PUBLIC LECTURES

Major public lectures are an essential component of GEP's outreach activities. We use them to target different audiences to academic seminars and conferences and they attract interest from the broader University community at Nottingham, including students, and of course non-University/non-academic participation. In 2006 we hosted four *Leverhulme Globalisation Lectures*, *The World Economy Annual Lecture* and the *Nottingham Lectures in International Economics*.

Leverhulme Globalisation Lectures

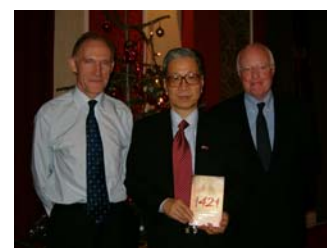
In March, Martin Wolf, Associate Editor and Chief Economics Commentator at *The Financial Times* made a return visit to speak on 'Global Payments Imbalances'. This is the fifth *Leverhulme Globalisation Lecture* that Martin has presented and for the fifth time he attracted a capacity audience.



Will Hutton (right) with GEP Researchers and students

In May, Tony Venables, Chief Economist at the Department for International Development, presented a Lecture on 'Convergence and Divergence in the World Economy: The Role of Trade' and, in November, Will Hutton, Chief Executive of The Work Foundation, came to talk on 'The Writing on the Wall: Will it be China's Century?'. This was a stimulating and provocative analysis of the sustainability of China's growth miracle. Sustainability, he concluded, depends crucially on changes in governance and accountability.

The final Lecture of the year in this Series was presented by Gavin Menzies, author of the bestselling book *1421: The Year China Discovered the World*. The book is based on the discovery of Chinese maps dating back to the 15th century which provide evidence that the Chinese Emperor, Zhu Di, built a fleet which set sail from China and discovered the world long before European explorers such as Christopher Columbus, Vasco da Gama and James Cook.



Gavin Menzies (right) with Professor Fujia Yang, Chancellor of the University of Nottingham (centre) and David Greenaway



Richard Baldwin

The other major public lecture organised by GEP (and sponsored by Blackwell Publishers) was *The World Economy Annual Lecture*. In June this was delivered by Richard Baldwin, Professor of International Economics at the Graduate Institute of International Studies in Geneva, on 'The Path to Global Free Trade: Spaghetti Bowls as Building Blocs', which was a showcase for some new research from Professor Baldwin in this area. His central argument was that we should not worry about the proliferation of free trade areas, which are providing a pathway to global free trade.

Nottingham Lectures in International Economics

The 2006 Lecture Series was delivered by Professor Carl Davidson of Michigan State University. Professor Davidson is a world authority on trade and labour market adjustment and gave a very well received series of Lectures on Trade and Unemployment. This Series runs with three lectures on consecutive days and Carl covered 'Setting the Agenda and Choosing an Appropriate Framework', 'New Insights from 'Old' Trade Theory' and 'New Insights and New Directions Using 'New' Trade Theory.



Carl Davidson

I. INFLUENCING POLICY: USER ENGAGEMENT AND OUTREACH

The scientific quality of GEP's research outputs has been the foundation to building credibility and reputation. In addition, however, it has also been a priority to build links with research users and exploit these through an active programme of outreach activities. In addition to increasing the likelihood of our research programmes having broader impact, this engagement also shapes our work. Our network of *GEP Policy Associates* is an important element in delivering this. Currently there are 16 Policy Associates in our network from the British policy making community (like HM Treasury and DTI) as well as the international community (IMF, World Bank, OECD and WTO). They are:

GEP Policy Associates

Mary Amiti, International Monetary Fund
Kym Anderson, The World Bank
Bob Anderton, European Central Bank
Heather Booth di Giovanni, UK Trade and Investment
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
Andrew Gurney, HM Treasury
Tim Harcourt, Australian Trade Commission
Bernard Hoekman, The World Bank
Sébastien Jean, Organisation for Economic Co-operation Development
Nannan Lundin, Organisation for Economic Co-operation and Development
John Martin, Organisation for Economic Co-operation and Development

Beata Smarzynska Javorcik, The World Bank
Ken Warwick, Department of Trade and Industry

Other initiatives in 2005 are set out in Appendix 12 and include:

- Joint meetings with economists from HM Treasury, the DTI and UKTI.
- Joint meetings with Economists at the European Commission and European Central Bank.
- Involvement of one of our Policy Associates in the GEP Research Retreat to lead an evaluation of our user engagement and outreach activities.
- Articles by Policy Associates in the ***GEP Newsletter***.
- Hosting of five public lectures, including four *Leverhulme Globalisation Lectures*.
- Presentations made at seminars hosted by users including HM Treasury and the Department for Trade and Industry.

To further advance this agenda, 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.

J. MANAGEMENT OF GEP RESOURCES AND ACTIVITIES

GEP's founding Director, Professor David Greenaway, continues to have responsibility for its management and operation. He is accountable to the Director of The Leverhulme Trust for investing its resources in accordance with GEP Plans. Day to day support for Professor Greenaway is provided by the Centre's Administrator Ms Sue Berry and Mrs Julie Freer. Budget support is provided by Mrs Janet Lewis in the School of Economics.



Julie Freer and Sue Berry

Operational and strategic support rests with the GEP Management Committee. Its current Membership comprises Professors Greenaway, Bernhofen and Milner; Drs Kreickemeier and Upward and Ms Berry and Silva. The Group meets monthly.



GEP Management Committee

In 2006 a high level Strategic Advisory Board was established to provide another level of scrutiny and advice. This comprises:

Sir Nicholas Stern (Chair), Adviser to the Prime Minister on Climate Change

Professor Daniel Bernhofen, University of Nottingham

Sir Richard Brook, Director, The Leverhulme Trust

Ms Frances Cairncross CBE, Rector, Exeter College Oxford

Sir Colin Campbell, Vice-Chancellor, University of Nottingham

Professor Paul Collier, University of Oxford

Professor Carl Davidson, Michigan State University

Professor Alan Duncan, University of Nottingham

Professor David Greenaway, Director of GEP, University of Nottingham

Dr Sébastien Jean, OECD

Professor Ravi Kanbur, Cornell University

Dr Andrew McLaughlin, Chief Economist, Royal Bank of Scotland

Ms Mei Sim Lai OBE, Senior Partner, Pridie Brewster

Professor Peter Neary, University of Oxford

Dr Vicky Pryce, Chief Economic Advisor, Department for Trade and Industry

Professor David Richardson, Syracuse University

Professor Hans-Werner Sinn, Director, CESifo, University of Munich

Mr David Smith, Economics Editor, *The Sunday Times*

Professor Tony Venables, Chief Economist, Department for International

Development

Ms Sue Berry, Leverhulme Centre Administrator (Secretary to the Board)

Research strategy, dissemination and outreach continues to be systematically and comprehensively re-evaluated, Programme by Programme, at the annual GEP Research Retreat, in which all of the Centre's Internal Research Fellows and a number of its External Research Fellows participate. The Programme for the 2006 Retreat is set out in Appendix 8. As always, evaluation of activities and opportunities was led by experts from outside Nottingham, this year by Professor Peter Egger (University of Munich), Professor Gary Jefferson (Brandeis University), Neil Kenward (HM Treasury), John Martin (OECD) and Professor Peter Neary (University of Oxford).

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

The Director is the Centre's 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 for submission to the Trust are prepared with assistance from the University's Research Support Office.

K. THE YEAR AHEAD

Year on year GEP's research activities and outreach become deeper and wider. 2006 has been another excellent year, not only in terms of our in-year accomplishments, but also in terms of the platform for the year ahead and indeed beyond that. Even if we focus only on the short run, 2007 holds great promise. Among the highlights to look forward to are:

- Deployment of the Trust's new investment of £1.5 million in a programme of research on 'Surviving and Succeeding in a Globalised World'.
- Seven conferences, including a Schools and Postgraduate Conference and five international conferences.
- Another high profile Public Lecture Series, including Professor Dani Rodrik (Harvard University) and Mr Martin Wolf (*The Financial Times*).
- A new series of *Nottingham Lectures in International Economics* to be given by Professor James Markusen (University of Colorado).

APPENDIX 1

GEP Research Papers published in 2006

- 2006/1 Manuel Cabral, Rod Falvey and Chris Milner 'The Skill Content of Inter- and Intra-Industry Trade: Evidence for the UK'
- 2006/2 Ben Ferrett, 'Productivity Distributions in International Oligopolies: Spillovers, Technology Transfer, and Heterogeneous FDI'
- 2006/3 Rod Falvey, David Greenaway and Joana Silva, 'Trade, Human Capital and Labour Market Adjustment'
- 2006/4 Simon J. Evenett and Alexander Hijzen, 'Conformity with International Recommendations on Merger Reviews: An Economic Perspective on "Soft Law"'
- 2006/5 Subhayu Bandyopadhyay, Cletus C. Coughlin, and Howard J. Wall, 'Ethnic Networks and U.S. Exports'
- 2006/6 Nicolas Péridy, 'Welfare Magnets, Border Effects or Policy Regulations: What Determinants Drive Migration Flows into the EU?'
- 2006/7 Rod Falvey, David Greenaway, and Zhihong Yu, 'Extending the Melitz Model to Asymmetric Countries'
- 2006/8 Holger Görg, Alexander Hijzen and Balázs Muraközy, 'The productivity spillover potential of foreign-owned firms: Firm-level evidence for Hungary'
- 2006/9 Ben Ferrett, 'On the Welfare Effects of Productivity Catch-Up by Laggard Firms'
- 2006/10 Daniel M. Bernhofen, 'Bilateral Predictions In A Multilateral World? Revisiting The Theory'
- 2006/11 Richard Kneller, Mauro Pisu and Zhihong Yu, 'Overseas Trading Costs and Firm Export Performance'
- 2006/12 Udo Kreickemeier, 'Trade, Technology and Unemployment: The Role of Supply Side Adjustment'
- 2006/13 Udo Kreickemeier and Steffi Schoenwald, 'Fair Wages and Unemployment in a Small Open Economy'
- 2006/14 Hartmut Egger, Peter Egger and David Greenaway, 'The Trade Structure Effects of Endogenous Regional Trade Agreements'
- 2006/15 Paulo Bastos, Udo Kreickemeier and Peter Wright, 'Open Shop Unions and Product Market Competition'
- 2006/16 Sara Maioli, Ben Ferrett, Sourafel Girma and Holger Görg, 'The market disciplining effects of FDI: Does the mode of entry matter?'
- 2006/17 Udo Kreickemeier and Pascal Raimondos-Møller, 'Concertina Reforms with International Capital Mobility'
- 2006/18 Baboo M Nowbutsing, 'Fragility of Comparative Advantage in Higher Dimensions: An Experimental Investigation'

- 2006/19 Spiros Bougheas, Paul Mizen and Cihan Yalcin, 'An Open Economy Model of the Credit Channel Applied to Four Asian Economies'
- 2006/20 Manuel Cabral, Rod Falvey and Chris Milner, 'Skill Content Tests of Endowment Models of Inter-and Intra-Industry Trade: Evidence for Some High Income Countries'
- 2006/21 David Greenaway, Aruneema Mahabir, Chris Milner, 'Has China Displaced Other Asian Countries' Exports?'
- 2006/22 Sourafel Girma and Holger Görg, 'Multinationals' productivity advantage: Scale or technology?'
- 2006/23 Hartmut Egger, Peter Egger and David Greenaway, 'Tariff-Setting and Multinationals'
- 2006/24 Udo Kreickemeier and Pascalis Raimondos-Møller, 'Tariff-Tax Reforms and Market Access'
- 2006/25 Rod Falvey, Neil Foster and David Greenaway, 'Trade, Imitative Ability and Intellectual Property Rights'
- 2006/26 Hartmut Egger and Udo Kreickemeier, ' Firm Heterogeneity and the Labour Market Effects of Trade Liberalisation'
- 2006/27 David Greenaway and Baboo Nowbutsing, 'Winners and Losers in Customs Unions: An Experimental Investigation'.
- 2006/28 Rod Falvey and Sarut Wittayarungruangsi, 'Antidumping Regulation and the Byrd Amendment: Does Revenue Redistribution Reduce Dumping?'
- 2006/29 Paolo Figini and Holger Görg, 'Does foreign direct investment affect wage inequality? An empirical investigation'
- 2006/30 Arijit Mukherjee and Kullapat Suetrong, 'Trade Cost, Technology Licensing and Foreign Direct Investment'
- 2006/31 Martine Rutten, Adam Blake and Geoffrey Reed, 'The Economic Impact of Health Care Provision: A General Equilibrium Assessment of Some Policy Options in the UK's NHS'
- 2006/32 Yundan Gong, Holger Görg and Sara Maioli, 'Employment effects of privatisation and foreign acquisition of Chinese State-owned enterprises'
- 2006/33 Shujie Yao and Kailei Wei, 'Economic Growth in the Presence of FDI: The Perspective of Newly Industrialising Economies'
- 2006/34 Sarah Bridges and Alessandra Guariglia, 'Financial Constraints, Global Engagement, and Firm Survival in the UK: Evidence from Micro Data'
- 2006/35 Alessandra Guariglia, Arijit Mukherjee and Kullapat Suetrong, 'Technological asymmetries and strategic plant location: the case of export-platform foreign direct investment'
- 2006/36 Alessandra Guariglia and Sandra Poncet, 'Could financial distortions be no impediment to economic growth after all? Evidence from China'
- 2006/37 Chun Kwok Lei and Shujie Yao, 'On Income Convergence among China, Hong Kong and Macau'

- 2006/38 Bouwe Dijkstra, Anuj Mathew and Arijit Mukherjee, 'Environmental Regulation: An Incentive for FDI'
- 2006/39 Daniel Mirza and Thierry Verdier, 'Are Lives a Substitute to Livelihoods? Terrorism, Security and US Bilateral Imports'
- 2006/40 Daniel Mirza and Thierry Verdier, 'International Trade, Security and Transnational Terrorism: Theory and Empirics'
- 2006/41 Zhihao Yu, 'The Fear of Competitive Pressure of Globalization and Outsourcing'
- 2006/42 Ben Ferrett and Ian Wooton, 'Tax Competition and the International Distribution of Firm Ownership: An Invariance Result'
- 2006/43 Sourafel Girma, Yundan Gong, Holger Görg and Zhihong Yu, 'Can production subsidies foster export activity? Evidence from Chinese Firm Level Data'
- 2006/44 Holger Görg, Michael Henry and Eric Strobl, 'Grant Support and Exporting Activity'
- 2006/45 Lina Song and Simon Appleton, 'Inequality and Instability: an Empirical Investigation into Social Discontent in Urban China'
- 2006/46 Simon Appleton, Lina Song and Qingjie Xia, 'Growing out of Poverty: Trends and Patterns of Urban Poverty in China 1988-2002'
- 2006/47 Shantanu Banerjee and Arijit Mukherjee, 'Joint Venture Instability Under Entry'
- 2006/48 Richard Kneller and Mauro Pisu, 'The Role of Experience in Export Market Entry: Evidence for UK Firms'
- 2006/49 Holger Görg, Michael Henry, Eric Strobl and Frank Walsh, 'Multinational Companies, Backward Linkages and Labour Demand Elasticities'
- 2006/50 Marta Aloi and Teresa Lloyd-Braga 'National Labour Markets, International Factor Mobility and Macroeconomic Instability'

APPENDIX 2

Published Output of Internal Fellows in 2006

Books and Edited Volumes

Greenaway, D., (ed) *Global Trade Policy 2005*, Oxford, Blackwell, pp. 187

Song, L. (with John Knight), *Towards a Labour Market in China* New York and Oxford: Oxford University Press. (Winner of 2005 Richard A. Lester Prize for "the Outstanding Book in Labour Economics and Industrial Relations)

Yao, S. (with J. Chen), *Globalisation, Competition and Growth in China*, Routledge Curzon,

Papers in Refereed Journals

Bernhofen, D. 'Making sense of the comparative advantage gains from trade: comment on Batra' *Review of International Economics* Vol. 14, pp. 517-519.

Davidson, C. (with **S. Matusz** and **D. Nelson**) 'Fairness and the Political Economy of International Trade', *The World Economy*, Vol. 29, pp. 989-1004.

Davidson, C. and Matusz S., 'Long Run Lunacy, Short Run Sanity: A Simple Model of Trade With Labor Market Turnover', *Review of International Economics*, Vol. 14, pp. 261-276.

Davidson, C. (with **S. Matusz**) 'Trade Liberalization And Compensation', *International Economic Review*, Vol. 47, pp. 723-747.

Dijkstra, B. (with F.P. de Vries) 'Location choice by households and polluting firms' *European Economic Review* Vol. 50, pp. 425-446.

Dijkstra, B. (with K.H. Baik, S. Lee and S.Y. Lee) 'The equivalence of rent-seeking outcomes for competitive-share and strategic groups' *European Journal of Political Economy* Vol. 22, pp. 337-342.

Falvey, R., (with N. Foster and **D. Greenaway**) 'Intellectual Property Rights and Economic Growth' *Review of Development Economics*, Vol. 10, pp. 700-719.

Falvey, R. (with **D Nelson**) '100 Years of Antidumping', *European Journal of Political Economy*, Vol. 22, pp. 545-553.

- Falvey, R.** (with **S Wittayarungruangsri**) 'Market Size and Antidumping in Duopolistic Competition', *European Journal of Political Economy*, Vol. 22, pp. 771-786.
- Falvey, R.**, (with M. Cabral and **C.R Milner**) 'The Skill Content of Inter- and Intra-Industry Trade: Evidence for the UK', *Review of World Economics*, Vol. 142, pp. 546-66.
- Görg, H.** (with E. Strobl) 'Do government subsidies stimulate training expenditure? Microeconomic evidence from plant level data' *Southern Economic Journal* Vol. 72, pp. 860-876.
- Görg, H.** (with S. Barrios and E. Strobl) 'Multinationals' location choice, agglomeration economies and public incentives' *International Regional Science Review* Vol. 29, pp. 81-107.
- Greenaway, D.** (with P.K.M. Tharakan and B. Kerstens), 'Anti-Dumping and Excess Margins in the European Union: A Counterfactual Analysis', *European Journal of Political Economy*, Vol.22, pp.653-674.
- Greenaway, D.** (with B. Chapman), 'Learning to Live with Loans? International Policy Transfer and the Funding of Higher Education', *The World Economy*, Vol.28, pp.1057-1075.
- Greenaway, D.** (with N. Winchester and **G. V. Reed**), 'Skill Classification and the Effects of Trade on Wage Inequality', *Review of World Economics/Weltwirtschaftliches Archiv*, Vol.142, pp.287-306.
- Greenaway, D. and Milner, C.R.**, 'Recent Developments in Intra-Industry Trade', *Review of World Economics/Weltwirtschaftliches Archiv*, Vol.143, pp.425-232.
- Greenaway, D. and Milner, C.** 'EU Preferential Trading Arrangements with the Caribbean: A Grim REPA?' *Journal of Economic Integration* Vol.21, pp. 657-680.
- Guariglia, A.** (with S. Mateut) 'Credit Channel, Trade Credit Channel, and Inventory Investment: Evidence from a Panel of UK firms' *Journal of Banking and Finance*, Vol. 30, pp. 2835-56.
- Guariglia, A.** (with B-Y Kim) 'The Dynamics of Moonlighting: What is Happening in the Russian Informal Economy?' *Economics of Transition*, Vol.14, pp. 1-45.
- Kneller, R.** (with P. Stevens) 'Absorptive Capacity and Frontier Technology: Evidence from OECD Manufacturing Industries' *Oxford Bulletin of Economics and Statistics*, Vol. 68, pp. 1-21.

- Kreickemeier, U. and Nelson, D.** 'Fair Wages, Unemployment and Technological Change in a Global Economy', *Journal of International Economics*, Vol. 70, pp. 451–469.
- Kreickemeier, U.** 'The Le Châtelier Principle in the Theory of International Trade', *Journal of Economics*, Vol. 89, pp. 245–266.
- Milner, C.R.** (with E. Zgovu) 'A Natural Experiment for Identifying the Impact of 'natural' Trade Barriers on Exports', *Journal of Development Economics*, Vol. 80, pp. 251-68.
- Milner, C.R.** (with **G. Reed** and P. Talerngsri) 'Vertical Linkages and Agglomeration Effects in Japanese FDI in Thailand', *Journal of the Japanese and International Economies*, Vol. 20, pp. 193-208.
- Milner, C.R.** 'Making NAMA Work: Supporting Adjustment and Development', *The World Economy*, Vol. 29, pp. 1409-22.
- Mukherjee, A.** 'Patents and R&D with Imitation and Licensing', *Economics Letters*, Vol. 93, pp. 196 – 201.
- Mukherjee, A.** (with E. Pennings) 'Tariffs, Licensing and Market Structure', *European Economic Review*, Vol. 50, pp. 1699 – 1707.
- Mukherjee, A.** 'Cross-border Merger and Domestic Welfare', *Economics Bulletin*, Vol. 6, pp. 1–8.
- Mukherjee, A.** (with A. Ray) 'The Welfare Implications of Product Patent: A Simple Model', *Journal of Financial Transformation*, Vol. 17, pp. 36-38
- Nelson, D.** 'The Political Economy of Antidumping', *European Journal of Political Economy*, Vol. 22, pp. 554-590.
- Song, L.** (with S. Appleton and J. Knight), 'Why do girls in rural China have lower school enrolment?' *World Development*, Vol. 34, pp. 1639-1653.
- Song, L.** (with S. Appleton) 'The Entitled versus the Unentitled: An Investigation into Government Interventions of Job-search in China' *China Labor Economics*, Vol 2, pp. 167-188.
- Wright, P.** (with S. Girma and S. Thompson), 'International Acquisitions, Domestic Competition and Firm Performance' *International Journal of the Economics of Business*, Vol. 13, pp. 335-349.
- Yao, S.** 'On Economic growth, FDI and exports in China under economic reforms' *Applied Economics*, Vol. 38, pp. 339-352.
- Yao, S.** (with Z. Wu), 'On unemployment inflow and outflow in Urban China' *Regional Studies*, Vol. 40, pp. 811-822.

Yao, S. (with Feng, Genfu, and Zaiyang, Li), 'On the Efficiency and Standardization Formation Mechanism of the Information Industries', *China Industrial Economy*, Vol. 23, pp. 15-26.

Chapters in Books and Reports

Falvey, R. F. (with N Foster and O Memedovic) 'The Role of Intellectual Property Rights in Technology Transfer and Economic Growth: Theory and Evidence' in UNIDO Working Paper, Vienna.

Görg, H. (with S Girma and Y Gong) 'Product innovation as a source of FDI spillovers? The case of Chinese state owned enterprises' in A.T.Tavares and A. Teixeira (eds) *Multinationals, Clusters and Innovation: Does Public Policy Matter?*, Palgrave, pp. 48-62

Görg, H. (with F Warzynski) 'The Dynamics of Price Cost Margins: Evidence from UK Manufacturing' *Revue de l'OFCE (Observatoire Francais des Conjonctures Economiques)*, No. 96, pp. 303-318.

Görg, H. (with S Girma and **M. Pisu**) 'Quantitative analysis and linked micro-data study of UKTI services', Report for UK Trade & Investment, London.

Greenaway, D. and Nelson, D. 'The Distinct Political Economies of Trade and Migration Policy: Through the Window of Endogenous Policy Models' in Federico Fodors and Rolf Langhammer (eds) *Labor Mobility and the World Economy*, Springer, pp. 295-328.

Kneller, R. and Pisu, M. 'Export Market Entry, Exports and Firm Productivity' report to UKTI.

Kneller, R. 'Exports and Productivity' report to FORFAS.

Milner, C.R. 'An Assessment of the Overall Implementation and Adjustment Costs for the ACP Countries of Economic Partnership Agreements with the EU' in R. Grynberg and A. Clarke, *The European Development Fund and Economic Partnership Agreements*, Commonwealth Economic Paper, 75, Commonwealth Secretariat.

Mukherjee, A. (with S Marjit and S Sengupta) 'Foreign Shareholding and Trade Policy' in M. Chatterji and P. Gangopadhyay (eds), *Economics of Globalisation*, 16, pp. 235-46, Ashgate.

Nelson, D. (with N Gaston), 'The Employment and Wage Effects of Immigration: Theory, Method and Results'. Report to the *World Bank*.

Song, L. (with J Knight), 'China's emerging wage Structure, 1995-2002' in Bjorn Gustafsson, Li Shi and Terry Sicular (ed) *Inequality and Public Policy in China*, Cambridge University Press.

- Song, L.** (with S Appleton), 'The Myth of the New Urban Poverty in China: 1988-2002' in John Logan (ed) *Urban China in Transition*, Blackwell.
- Song, L.** (with S Appleton), 'Urban Laid-off Workers Versus Rural Migrants: Sectoral Choice and Job-search' in Cai Fang and Bai Nansheng (ed) *Labor Migration in Transitional China*, China Social Science Academic Press.
- Song, L.** (with J Knight and L Shi), 'The Rural-Urban Divide and the Evolution of Political Economy in China' in James K. Boyce, Stephen Cullenberg, Prasanta Pattanaik and Robert Pollin (ed) *Human Development in the Age of Globalization*, Massachusetts: Edward Elgar, pp. 44-63.
- Song, L.** (with S Appleton, J Knight and Q Xia), 'Contrasting paradigms: segmentation and competitiveness in the formation of the Chinese labour market' in Li Shi and Hiroshi Sato (ed) *Unemployment, Inequality and Poverty in Urban China*, Routledge Curzon, pp. 212-235.
- Song, L.** (with S Appleton, J Knight and Q Xia), 'Labour Retrenchment in China: Determinants and Consequences' in Li Shi and Hiroshi Sato (ed) *Unemployment, Inequality and Poverty in Urban China*, Routledge Curzon, pp. 19-42.
- Upward, R. Hijzen A. and Wright P.** 'Using linked employer-employee data to estimate the earnings costs of business closure in the UK' in *Making Linked Employer-Employee Data Relevant to Policy DTI*, Occasional Paper No 4.
- Upward, R. Hijzen A. and Pisu M.** 'A Portrait of Trade in Services' **Report to Department of Trade and Industry.**
- Yao, S.** 'Economic Impact on China and the EU with the Approved Destination Status of Chinese Tourists to the EU States', technical report prepared for the *European Union.*
- Yao, S.** (with Zhongwei, H), 'A Comparative Study of Efficiency between Chinese and European Commercial Banks', technical report prepared for the *European Union.*

APPENDIX 3

Fifth Annual GEP Postgraduate Conference

21-22 April 2006

Sir Clive Granger Building
University of Nottingham, University Park

Friday 21st April

Session 1: Globalisation and Technological Transfer In India and China

9.20-9.50 *Are Foreign Firms Allocatively Inefficient? A Study of Selected Manufacturing Industries in India*

Presenter: **Sabita Tripathy, University of Dundee**

Discussant: **Mauro Pisu, GEP, University of Nottingham**

9.50-10.20 FDI Spillovers, Firm Heterogeneity and Degree of Ownership: Evidence From Chinese Manufacturing

Presenter: **Veerle Sloomakers, Catholic University of Leuven**

Discussant: **Alex Hijzen, GEP, University of Nottingham**

Session 2: Labour Market Adjustments to Globalisation

10.40-11.40 Poster Session

- *Trade and Labour Market Adjustment: Education and Experience*
Presenter: **Joana Silva, GEP, University of Nottingham**
- *Trade liberalization and labour market: Evidence from Morocco*
Presenter: **Novella Bottini, University of Sussex**
- *Unionised Labour Markets and Economic Integration in General Oligopolistic Equilibrium*
Presenter: **Paulo Bastos, GEP, University of Nottingham**
- *Analysis of firm-level productivity differences among foreign and host firms: Evidence from Germany*
Presenter: **Yama Temouri, Aston University, Birmingham**
- *Technological Asymmetries and Strategic Plant Location by a Multinational*
Presenter: **Kullapat Suetrong, University of Nottingham**

Session 3: The Gains from Inward Foreign Direct Investment

11.40-12.10 *Foreign direct investment and poverty in Latin America*

Presenter: **Marco Hernandez, Jesus College, University of Oxford**

Discussant: **Pedro Moncarz, GEP, University of Nottingham**

12.10-12.40 *Growth effects of foreign direct investment: What role for liberalisation*

and absorptive capacity?

Presenter: **Sam Hill, Australian National University**

Discussant: **David Greenaway, GEP, University of Nottingham
Trade And Developing Countries**

Session 4:

13.40-14.10

Rethinking the role of domestic support in distorting trade

Presenter: **Poornima Varma, Jawaharlal Nehru University,
New Delhi**

Discussant: **Oliver Morrissey, University of Nottingham**

14.10-14.40

Is Trade Policy Openness Good for Growth?

Presenter: **Charles Ackah, University of Nottingham**

Discussant: **Richard Kneller, GEP, University of Nottingham**

Session 5:

Institutions and Contracts as Determinants of Globalisation Outcomes

14.40-15.10

Institutional Quality and Comparative Advantage: An Empirical Assessment

Presenter: **Marcella Nicolini, University of Milan**

Discussant: **Daniel Bernhofen, GEP, University of Nottingham**

15.10-15.40

Globalisation, Vertical Linkages and Relational Contracts

Presenter: **Gregory Corcos, Paris School of Economics**

Discussant: **Arijit Mukherjee, GEP, University of Nottingham**

15.40-16.10

Trade and Race-to-the Bottom Wage Competition

Presenter: **Damiaan Persyn, LICOS, Catholic University of
Leuven**

Discussant: **Peter Wright, GEP, University of Nottingham**

Session 6:

Topics in International Trade

16.30-17.30

Poster Session

- *Did US safeguard protection on steel affect market power of European steel producers?*

Presenter: **Ziga Zarnic, Catholic University of Leuven**

The microstructure of indigenous Irish manufacturing exports,

1985-2003

Presenter: **Anne Marie Gleeson, Trinity College, Dublin**

- *Country-Specific Determinants of Horizontal and Vertical Intra-Industry Trade in Portugal*

Presenter: **Nuno Carlos Leitão, Lusíada University of Lisbon
and Polytechnic Institute of Santarém**

- *A search and matching model of international trade*

Presenter: **Benjamin Jung, University of Tübingen**

- *Environmental regulation: A boon or bane for foreign direct investment?*

Presenter: **Anuj Mathew, University of Nottingham**

Saturday 22nd April

Session 7: What Drives a Firm's Decision to Export or Invest Abroad?

9.30-9.30 Foreign Direct Investment in the Transition Countries: A Dynamic Analysis at Firm and Sector Level

Presenter: **Brindusa Anghel, Universitat Autònoma de Barcelona**

Discussant: **Alessandra Guariglia, GEP, University of Nottingham**

9.30-10.00 Hysteresis in Export Markets

Presenter: **Luca David Opromolla, New York University**

Discussant: **Rod Falvey, GEP, University of Nottingham**

Session 8: What does attract FDI?

10.10-11.10 **Poster Session**

- *A behavioural approach to tax competition for FDI*
Presenter: **Ricardo Pinheiro Alves (University of Bath)**
Discussant: **Saileshsingh Gunessee, GEP, University of Nottingham**
- *Environmental regulations and foreign direct investment: Provincial level evidence from China*
Presenter: **Jing Zhang, University of Birmingham**
Discussant: **Zhihong Yu, GEP, University of Nottingham**
- *An empirical investigation of the determinants of foreign direct investment in the Central and Eastern European countries using multi-level data*
Presenter: **Simona Rasciute, Loughborough University**
Discussant: **Sabita Tripathy, University of Dundee**
- *Industry relocation, linkages and Spillovers across the Baltic Sea: Extending the footloose capital model*
Presenter: **Dirk Ehnts, University of Oldenburg, Germany**
Discussant: **Sam Hill, Australian National University**

Session 9: Financial Interdependencies in a Globalised World

11.10-11.40 Financial Contagion in a Dynamic Bayesian Context: The Role of Public and Private Signals

Presenter: **Ashwin Moheput, University of Warwick**

Discussant: **Daniel Seidmann, University of Nottingham**

11.40-12.10 Exchange Rates and Exports: Evidences from Manufacturing Firms in the UK

Presenter: **Xufei Zhang, University of Nottingham**

Discussant: **Sara Maioli, GEP, University of Nottingham**

APPENDIX 4

Leverhulme Centre for Research on Globalisation and Economic Policy

'Frontiers in International Trade'

25th May, 2006

at

A40, Sir Clive Granger Building, University Park, University of Nottingham

Session 1: Chair - Peter Wright, GEP

09.00 – 09.50 **Udo Kreickemeier**, GEP (and Hartmut Egger, Zurich)
Firm Heterogeneity and the Labour Market Effects of Trade Liberalisation

Discussant: Jim Tybout, Penn State University

09.50 – 10.40 **Carl Davidson** (and Steve Matusz), Michigan State University
Outsourcing Peter to Pay Paul

Discussant: Richard Upward, GEP

Session 2: Chair – Mauro Pisu, GEP

11.00 – 11.50 **Spiros Bougheas**, GEP (and Richard Kneller, GEP, and Ray Riezman, Iowa State University)
Education Policies and Comparative Advantage

Discussant: Hartmut Egger, University of Zurich

11.50 – 12.40 **Daniel Bernhofen**, GEP (and Laura Bernhofen, Nottingham, and John Brown, Clark)

An Empirical Assessment of the Chain of Comparative Advantage

Discussant: Peter Egger, CESifo, Munich

Session 3: Chair – Rod Falvey, GEP

13.30 – 14.20 **Peter Egger**, CESifo, Munich
Bilateral and Third-Country Exchange Rate Effects on Multinational Activity

Discussant: Holger Görg, GEP

14.20 – 15.10 **Gianmarco Ottaviano**, Bologna University
Trade Integration, Firm Selection and the Costs of Non-Europe

Discussant: Ben Ferrett, GEP

Session 4: Chair – Alex Hijzen, GEP

15.30 – 16.20 **Alessandra Guariglia**, GEP
Do Financial Factors Affect Export Decisions?

Discussant: Robert Elliott, University of Birmingham

16.20 – 17.10 **Jim Tybout**, Penn State University
Market Entry Costs, Producer Heterogeneity and Export Dynamics

Discussant: Richard Kneller, GEP

APPENDIX 5

Leverhulme Centre for Research on Globalisation and Economic Policy

School of Economics, University of Nottingham

6th Form Conference

27th June, 2006

- 09.45 – 09.55 **Introduction**
Professor Chris Milner, Head of the School of Economics
- 09.55 – 10.40 **How economics changed the way we view the world:
evidence from the Nobel Laureates**
Professor Daniel Bernhofen
- 10.40 – 11.25 **What are the Economic Benefits of Globalisation?**
Professor David Greenaway
- 11.45 – 12.30 **Globalisation and Africa**
Professor Oliver Morrissey
- 13.45 – 14.30 **World Commodity Prices and Markets**
Dr Wyn Morgan
- 14.30 – 15.15 **China: The Challenges and Opportunities for the British
Economy**
Professor Chris Milner

APPENDIX 6

Leverhulme Centre for Research on Globalisation
and Economic Policy (GEP), University of Nottingham and the Murphy
Institute of Political Economy, Tulane University

'China and the World Economy'

23rd to 24th June 2006

at

The Arts Centre Lecture Theatre
University Park, University of Nottingham

Friday, 23rd June

9.10. –9.20 Welcome and Conference Opening

9.20 – 11.20 **Session 1:**

Multinational Firms and New Chinese Export Transactions

Speaker: **Deborah Swenson** (University of California, Davis)

Discussant: Zhihong Yu (GEP, University of Nottingham)

Innovation, Intellectual Property Rights and Foreign Direct Investment in China

Speaker: **Linda Yueh** (University of Oxford and London School of Economics)

Discussant: Mauro Pisu (GEP, University of Nottingham)

11.45 – 12.45 **Session 2:**

China, the WTO and the Doha Development Agenda

Speaker: **Will Martin** (The World Bank)

Discussant: Chris Milner (GEP, University of Nottingham)

How Much Do Low Wages Matter for Foreign Direct Investment? The Case of China

Speaker: **Mary Lovely** (Syracuse University)

Discussant: Alex Hijzen (GEP, University of Nottingham)

Market Economy and Hierarchical Governance in China

Speaker: **Barry Naughton** (University of California, San Diego)

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

Saturday, 24th June

9.00 – 11.00 **Session 5:**

Economic Growth in China in the Presence of FDI

Speaker: **Shujie Yao** (Middlesex University)

Discussant: **Richard Kneller** (GEP, University of Nottingham)

Knowledge Spillovers from Foreign Direct Investment in R&D: Evidence from a Chinese Science Park.

Speaker: **Yasuyuki Todo** (Aoyama Gakuin University)

Discussant: Holger Görg (GEP, University of Nottingham)

11.15 – 12.15 **Session 6:**

Speaker: **Lina Song** (University of Nottingham)

Discussant: Richard Upward (GEP, University of Nottingham)

13.15 – 15.15 **Session 7:**

Globalisation and Regional Income Inequalities in China

Speaker: **Xiaolan Fu** (University of Cambridge)

Discussant: Simon Appleton (University of Nottingham)

Can You Teach Old Dragons New Tricks? FDI and Innovation Activity in Chinese State-owned Enterprises

Speaker: **Yundan Gong** (Nottingham University Business School)

Discussant: **Steve Thompson** (Nottingham University Business School)

15.45 – 16.45 **Session 8:**

FDI in China and Lack of Finance Access for the Private Sector

Speaker: **Sandra Poncet** (CEPII, Paris)

Discussant: Alessandra Guariglia (GEP, University of Nottingham)

APPENDIX 7

Leverhulme Centre for Research on Globalisation and Economic Policy

The Impact of International Competition on Firms and Workers at

Lenton Hurst House, University Park, University of Nottingham
Thursday, 9th November, 2006

- Session 1:**
09.00–09.45
Chair: Richard Upward (University of Nottingham)
Ingo Geishecker (Freie Universität Berlin)
International Outsourcing and Job Security: A Micro-Level Analysis
Discussant: **Peter Wright**, GEP, University of Nottingham
- 09.50 – 10.30
Alex Hijzen (OECD), Richard Upward and Peter Wright (University of Nottingham)
Services Offshoring and Job Security
Discussant: **Paul Swaim**, OECD, Paris
- Session 2:**
10.45 – 11.30
Chair : Rod Falvey
Hervé Boulhol (IXIS-CIB and CES, Paris) Sabien Dobbelaere (Ghent) and **Sara Maioli** (Newcastle University)
Imports as Product and Labor Market Discipline
Discussant: **Daniel Bernhofen**, GEP, University of Nottingham
- 1.30 – 12.15
Peter Egger and Sascha O. Becker (CESifo, Munich)
Endogenous Product versus Process Innovation and a Firm's Propensity to Export
Discussant: **Zhihong Yu**, GEP, University of Nottingham
- Session 3:**
13.00 – 13.45
Chair: Peter Wright (University of Nottingham)
Udo Kreickemeier (GEP) and Hartmut Egger (Zurich)
Firm Heterogeneity and the Labour Market Effects of Trade liberalisation
Discussant: **Holger Görg**, GEP, University of Nottingham
- 13.45 – 14.30
Carl Davidson, Andrei Shevchenko and **Steve Matusz** (Michigan State University)
Outsourcing Peter to Pay Paul
Discussant: **Rod Falvey**, GEP, University of Nottingham
- Session 4:**
14.45 – 15.30
Chair: Steve Matusz (Michigan State University)
Francis Kramarz (CREST-INSEE, Paris)
Outsourcing, Unions and Wages: Evidence from data matching imports, firms and workers.
Discussant: **Richard Disney**, University of Nottingham
- 15.30 – 16.15
Pedro Martins (Queen Mary) and Luiz Esteves (UFPR and Siena)
The foreign-firm wage premium in Brazil: evidence from firm acquisitions and job movers.
Discussant: **Richard Upward**, GEP, University of Nottingham

APPENDIX 8

GEP Research Retreat
8th – 9th May, 2006
at the Izaak Walton Hotel, Dovedale, Ashbourne

Programme

Monday 8th May

17.00 – 18.30 **Research and Outreach Activities: Review of 2005 and Forward Look**

Chair: Rod Falvey
Speaker: David Greenaway
Discussant: Neil Kenward, HM Treasury

Tuesday 9th May

09.15 – 10.30 **Theory and Methods**

Chair: Udo Kreickemeier
Speaker: Peter Neary, University College Dublin
Summariser: Daniel Bernhofen

11.00 – 12.15 **Globalisation and Labour Markets**

Chair: Richard Upward
Speaker: John Martin, OECD, Paris
Summariser: Peter Wright

13.30 – 14.45 **China and the World Economy**

Chair: Spiros Bougheas
Speaker: Gary Jefferson, Brandeis University
Summariser: Chris Milner

15.00 – 16.15 **Globalisation, Productivity and Technology**

Chair: Richard Kneller
Speaker: Peter Egger, University of Munich
Summariser: Holger Görg

APPENDIX 9

Seminars hosted by GEP in 2006

Nicolas Péridy, University of Nantes

'Welfare Magnets, Border Effects or Policy Regulations: What Determinants Drive Migration Flows into the EU?'

Francesco Caselli, London School of Economics

'On the Theory of Ethnic Conflict'

Stefan Lutz, University of Manchester

'A Multi-Product Framework Generating Waves and Mergers and Divestitures'

Hartmut Egger, University of Zurich

'International Capital Market Integration, Educational Choice and Economic Growth' (with Peter Egger, Josef Falkinger and Volker Grossmann)

Peter Egger, Munich University

'Exchange Rate Effects on Multinational Activity' (with Hartmut Egger and Michael Ryan)

Cillian Ryan, University of Birmingham

'Trade, Product Differentiation, and Technology Transfer Mergers in Oligopolistic Markets'

Sara Maioli, University of Nottingham

'The Impact of Market Structure and Irreversibility on Investment Under Uncertainty: An Empirical Analysis'

Huw Edwards, Loughborough University

'Strategic Regulatory Bias and Mutual Recognition Agreements'

Alex Hijzen, University of Nottingham

'The Effects at Home of Relocation Abroad'

Joana Silva, GEP, University of Nottingham

'Trade, Human Capital and Labour Market Adjustment' (with David Greenaway and Rod Falvey)

Ray Riezman, University of Iowa

'Measuring Globalisation'

Facundo Albornoz-Crespo, University of Birmingham

'Local Learning, Trade Policy and Industrial Structure Dynamics'

Pascalis Raimondos-Møller, University of Copenhagen

'Steepest Ascent Tariff Reforms'

Jeff Bergstrand, University of Notre Dame
'Bonus Vetus OLS: A Simple OLS Approach for Addressing the "Border Puzzle" and Other Gravity-Equation Issues'

Richard Friberg, Stockholm School of Economics
'Demand and Distance: Evidence On Cross-Border Shopping'

Scott Davis, Vanderbilt University
'Instantaneous Correlation and Cyclical Convergence in the Euro Zone'

Juergen Meckl, University of Giessen
'Wage Drift, Immigration and Union Behaviour'

Koen Schoors, Ghent University
'FDI and the Consequences: Towards More Complete Capture of Spillover Effects'

Thorvaldur Gylfason, University of Iceland
'Democracy and Growth'

Ian Wooton, University of Strathclyde
'Competition For Firms in an Oligopolistic Industry: Do Firms or Countries Have To Pay?' (with Andreas Haufler)

Alessandra Guariglia, University of Nottingham
'Could Financial Distortions Be No Impediment to Economic Growth After All? Evidence from China' (with Sandra Poncet)

Vitor Trindade, University of Missouri
'Openness and Productivity: A Model of Trade and Firm-Owners' Effort'

Giovanni Facchini, University of Illinois
'Substitutability and protectionism: Latin America's trade policy and imports from China and India' (with M Olarreaga, P A Silva and G Willmann)

Horst Raff, University of Kiel
'Buyer Power in International Trade'

Catia Montagna, University of Dundee
'Vertical Integration versus Outsourcing in International Oligopoly'

Farid Toubal, University of Paris I
'Dissecting FDI' (with Joern Kleinert)

Michael Plummer, John Hopkins University
'Best Practices" in Regional Trading Agreements: An Application to Asia'

Pedro Moncarz, University of Nottingham
'MERCOSUR's Role on the Regional Patterns of Imports of Its Country Members'

APPENDIX 10

Presentations by GEP Internal Research Fellows at Conferences in the UK and Overseas and at Seminars at other Universities

- Bernhofen, D., 'On predictability in the neoclassical trade model', University College Dublin, Cardiff University and Midwest International Economics Meetings at Michigan State University.
- Bernhofen, D., 'Bilateral predictions in a multi-lateral world? Revisiting the theory', Birmingham University, NBER 2006 Summer Institute, Cambridge, USA and ETSG Annual Conference, Vienna.
- Bernhofen, D., 'Predicting the factor content of trade: theory and evidence', Université Catholique de Louvain.
- Bougheas, S. (with R Kneller and R Riezman), 'Optimal Education Policy and Comparative Advantage' at the European Trade Study Group Conference, Vienna and the Frontiers in International Trade GEP workshop in Nottingham.
- Dijkstra, B., 'Group rewards and individual sanctions in environmental policy', presented at University of Birmingham, Social Science Research Centre, Berlin and Tor Vergata University, Rome.
- Ferrett, B. (with Ian Wooton), 'Tax Competition and the International Distribution of Firm Ownership: An Invariance Result' presented at Michigan State University, ETSG Vienna and University of Dijon.
- Ferrett, B., 'On the Welfare Effects of Productivity Catch-up by Laggard Firms' presented at EARIE, Amsterdam.
- Görg, H., 'Can you teach old dragons new tricks? FDI and innovation activity in Chinese State-owned enterprises', IUI Conference on "Globalization and Corporate Restructuring", Stockholm.
- Görg, H., 'Productivity spillovers from foreign direct investment: The role of exporting and linkages' COMPPRESS Workshop, European Commission Brussels.
- Görg, H., 'Productivity effects of international outsourcing', seminar at Universität Kiel.
- Görg, H., 'Evaluating the foreign ownership wage premium using a difference-indifferences matching approach' IIIS, Dublin.
- Görg, H., 'Multinational companies, backward linkages and labour demand elasticities', seminar at Lancaster University.
- Greenaway, D., 'International Trade on the Advanced Studies Programme' presented as a course of lectures at the Institut für Weltwirtschaft, University of Kiel.
- Greenaway, D., 'Exporting, Productivity and FDI' presented as a keynote address at the Otago Trade Workshop, New Zealand.
- Greenaway, D., 'Exporting, FDI and Productivity' presented at seminars at the University of Hong Kong and City University Hong Kong.

- Greenaway, D. (with Richard Kneller), 'Firm Heterogeneity, Exporting and Foreign Direct Investment' keynote lecture at the All China Economics Conference at City University Hong Kong.
- Guariglia, A. (with D Greenaway and R Kneller), 'Do Financial Factors Affect Exporting Decisions?' presented at the Royal Economic Society conference and at the 21st Meeting of the European Economic Association.
- Guariglia, A. (with S. Bridges), 'Financial Constraints, Global Engagement, and Firm Survival in the UK: Evidence from Micro Data': presented at a seminar the University of Durham and at a seminar at the Complutense University in Madrid.
- Guariglia, A. (with S. Poncet), 'Could Financial Distortions be no Impediment to Economic Growth After All? Evidence from China' presented at a seminar at the Bank of Spain.
- Hijzen, A., 'Job Security and Service Offshoring' presented at GEP Conference Nottingham, CEPR-ESF Explanatory Workshop Rome and a Workshop on "Cross Border M&A and Offshoring" Stockholm.
- Hijzen, A., 'The Earnings Losses of Displacement Workers in the UK' presented at Annual Congress of the European Economic Association, Vienna.
- Hijzen, A., 'The Effects At Home of Initiating Production Abroad' presented at ISIT Conference, Stockholm, COMPPRESS Final Conference Budapest, Paris School of Economics, University of Nottingham, The Netherlands Bureau for Economic Policy Analysis, OECD, Paris, Groupe d'Analyses de la Mondialisation, Paris.
- Hijzen, A., 'A Portrait of Trade in Services' presented at DTI Workshop on Globalisation, London.
- Kneller, R., 'Firm Heterogeneity, Exporting and Foreign Direct Investment' presented at IATRC Winter Meetings, Tampa, Florida.
- Kneller, R., 'Exporters and International Knowledge Transfer: Evidence from UK Firms' presented at ETSG, Vienna.
- Kreickemeier, U., 'Trade, Technology and Unemployment: The Role of Supply Side Adjustment' presented at the Royal Economic Society Annual Conference, Nottingham.
- Kreickemeier, U. (with Hartmut Egger), 'Firm Heterogeneity and the Labour Market Effects of Trade Liberalisation' at the German Economic Association Annual Conference, Bayreuth, Midwest International Economics Group Autumn Meeting, Purdue University, Seminars at the University of Cyprus and the University of Tübingen.
- Kreickemeier, U. (with Pascalis Raimondos-Møller), 'Concertina Reforms with International Capital Mobility' presented at the European Trade Study Group Annual Conference, Vienna.
- Maioli, S. (with H Görg and Y Gong), 'Employment Effects of Privatisation and Foreign Acquisition of Chinese State-Owned Enterprises' presented at the Midwest International Economics Group Meeting, Purdue University, Indiana, ETSG Vienna and University of the Thai Chamber of Commerce in Bangkok.

- Maioli, S., 'The Impact of Market Structure and Irreversibility on Investment under Uncertainty: An Empirical Analysis', presented at EARIE, Amsterdam and at EEFS, International Conference Crete and Loughborough University.
- Maioli, S., 'The Market Disciplining Effects of FDI: Does the Mode of Entry Matter?' presented at the Empirical Investigation in International Economics, in Izola, Slovenia and at Nankai University China.
- Milner, C. R., 'Emerging China and India: Challenges and Opportunities' presented at Emerging Markets Seminar at Price Waterhouse Coopers.
- Milner, C. R., 'Trade Reform, Trade and Development', Keynote lecture at 5th INFER Workshop on International Economics, Kingston University.
- Milner, C. R. (with K. Greenidge and G. V. Reed), 'The Nature and Measurement of Financial Liberalisation: An Application to the Caribbean' presented at the Annual Caribbean Monetary Studies Conference in Barbados.
- Milner, C. R. (with D. Greenaway and R. Mahabir), 'Has China Displaced Other Asian Countries' Exports?' presented at ACE International Conference in Hong Kong.
- Mukherjee, A. (with E. Pennings), 'Unionization Structure, Licensing and Innovation' presented at State University of New York, USA.
- Nelson, D., 'On the Sustainability of Liberal Immigration Policy' presented at United Nations Symposium on International Migration and Development, Turin.
- Nelson, D. (with David Greenaway), 'The Politics of Anti-Globalization: What Do We Learn from Simple Models' presented at the Second Danish International Economics Workshop, Aarhus School of Business, CEPR/ESF Workshop, Rome, and Michigan State University.
- Nelson, D. (with Joe Francois and Kevin Grier), 'Globalization, Roundaboutness and Relative Wages' presented at IMF Workshop and Aarhus School of Business.
- Nelson, D. (with Peter Egger), 'How Bad is Antidumping?: Evidence from A Gravity Model'. Presented at ETSG, Vienna, Carleton University, Toronto, Southern Economics Association, Charleston, South Carolina and World Bank workshop on antidumping.
- Song, L., 'In Pursuits of Wealth, Health and Happiness: Market Competition and Social Protection in China' Monash University in conjunction with Renmin University and the Institute of Population and Labour Economics, Chinese Academy of Social Sciences CASS, Beijing
- Song, L., 'Public Policy Research Methods' Centre for Public Policy and Sustainable Development, Beijing Normal University.
- Song, L., 'Labour Policy Research: Choices and Constraints' at China Enterprise Confederation and China Enterprise Directors Association, Beijing.
- Song, L., 'Globalisation and Industry Relations in China' presented at the Annual Conference of Chinese Economic Society (U.S.), Shanghai.
- Song, L., 'Research methods of intra-household allocation' at Renmin University, Beijing.
- Song, L., 'Rural-urban Divide in China' presented at Tufts University USA.

- Song, L., 'Does inequality matter in China?' presented at Xiamen University.
- Song, L., 'Inequality and Instability in China', Beijing Forum.
- Song, L., 'Social Discontent in the Era of Globalisation: Extend, Nature and Determinants in Urban China' presented at the annual conference of Chinese Economic Society (U.S.), Shanghai.
- Upward, R., 'Earnings losses of displaced workers in the UK' presented to the European Association of Labour Economists, Prague.
- Upward, R., 'Globalisation and labour market adjustment' presented to a Treasury Roundtable chaired by Sir Nicholas Stern.
- Upward, R., 'Globalisation and labour market adjustment' presented to the Government Economic Service annual conference.
- Wright, P. W. Academic Roundtable on Productivity and Employment. HM Treasury, London, UK.
- Yao, S. (with W Kailei), 'Economic growth in the present of FDI from a newly industrializing economy's perspective' presented at the University of Nankai, Tianjin, China.
- Yao, S. (with L. Chun Kwok), 'Economic Integration among China, Hong Kong and Macau', presented at the Chinese Economic Association, Middlesex University, London.
- Yao, S. 'Regional Economic Growth and the Role of FDI in China', presented at University of Portsmouth.
- Yao, S. 'Reforms of Chinese commercial banks', presented at the Royal Bank of Scotland Central Banks Edinburgh.
- Yao, S. 'Can China really becomes the next superpower?' presented at Institute of Public Policy Research, London.

APPENDIX 11

Visitors to GEP in 2006

January:	Professor Nicolas Péridy, University of Nantes
February:	Dr Hartmut Egger, University of Zurich Professor Peter Egger, Munich University
March:	Professor Raimondos-Møller, Copenhagen Business School Professor Ray Riezman, University of Iowa Martin Wolf, The Financial Times
April:	Professor Jeff Bergstrand, University of Notre Dame Professor John Whalley, University of Western Ontario
May:	Professor Carl Davidson, Michigan State University Dr Hartmut Egger, University of Zurich Professor Peter Egger, University of Munich Dr Robert Elliott, University of Birmingham Professor Richard Friberg, Stockholm School of Economics Professor Gary Jefferson, Brandeis University Neil Kenward, HM Treasury John Martin, OECD Dr Catia Montagna, University of Dundee Professor Peter Neary, University College Dublin Professor Gianmarco Ottaviano, University of Bologna Professor Jim Tybout, Penn State University Professor Tony Venables, Department for International Development Ken Warwick, Department of Trade and Industry
June:	Professor Richard Baldwin, Graduate Institute of International Studies, Geneva Professor Jürgen Meckl, University of Giessen
September:	Professor Koen Schoors, Ghent University
October:	Professor Carl Davidson, Michigan State University Professor Vitor Trindade, University of Missouri-Columbia Professor Ian Wooton, University of Strathclyde
November:	Will Hutton, The Work Foundation Professor Steve Matusz, Michigan State University Dr Catia Montagna, University of Dundee Professor Horst Raff, University of Kiel
December:	Gavin Menzies, Author of '1421 The Year China Discovered the World'

APPENDIX 12

Liaison with the Policy Making Community in 2006

HM Treasury

- 18th May: Richard Upward and Peter Wright presented current research at a Treasury Roundtable meeting on Globalisation and Labour Markets.
- 14th July: Sir Nicholas Stern, Adviser to the Prime Minister on Climate Change, visited GEP to receive a briefing on GEP research activities.
- 18th July: David Greenaway made a presentation at HM Treasury on Globalisation issues contained in the draft Comprehensive Spending Review.
- 13th July: GEP collaborated with ONS and DTI in sponsoring a session at the Government Economic Service Annual Conference. Both David Greenaway and Richard Upward made presentations at the session.

Bank of Spain

Alessandra Guariglia visited the Bank of Spain in November and presented the paper 'Could Financial Distortions Be No Impediment to Economic Growth After All? Evidence from China' (with S. Poncet).

DEFRA

Bouwe Dijkstra met James Godber from DEFRA on 10th January to discuss the Climate Change Agreements.

EU

- Holger Görg made a presentation at the EU as part of the EU COMPPRESS research project on 'Competitive pressure and its social consequences in EU Member States and in associated countries'.
- 25th September: Holger Görg made a presentation to European Commission DG Employment as part of a study on the social impact of globalisation in the EU.

OECD

24th October: Anne-Marie Brook and Asa Johansson visited GEP to be briefed on the Centre's research programmes.

UK Trade and Industry

- Richard Kneller is an external academic adviser on the Performance and Impact Monitoring System Advisory Group for UKTI.
- Richard Kneller, in early 2006, was external academic adviser on the International Sectors Evaluation Advisory Group for UKTI.
- 31 January, 29 March and 18 May: Holger Görg made presentations to UKTI as part of their study on relative benefits of UKTI support for trade and investment and on 16 June and 14 September on exporting and innovation in the UK.

United Nations

June: Doug Nelson gave a lecture on 'On the Sustainability of a Liberal Immigration Policy' at the United Nations Symposium on International Migration and Development, Turin.

GEP Contacts

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

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

Events Secretary: Mrs Julie Freer
e-mail: julie.freer@nottingham.ac.uk
Tel. 44 (0)115 9514763

GEP Research Papers: Dr Paulo Bastos
e-mail: paulo.bastos@nottingham.ac.uk
Tel. 44 (0)115 8466447

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

GEP Newsletter: Dr Joana Silva
e-mail: joana.silva@nottingham.ac.uk
Tel. 44 (0) 115 8467206

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

Tel. 44 (0) 115 9515469
Fax. 44 (0) 115 9515552

www.gep.org.uk