



The University  
of Nottingham  
Ningbo, China



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

Press release

## **GEP launches new China centre with major conference**

3 November 2008

**GEP - the Globalisation and Economic Policy Centre - will open a world-class new facility in China with a conference examining the international impact of the nation's growing economy.**

The two-day conference 'China and the World Economy' begins on Thursday 6th November and will be held at the University of Nottingham Ningbo, China, which is home to the new GEP China.

Speakers will include Professor Shujie Yao, Co-ordinator and Leader of GEP's China and the World Economy programme, who will deliver a lecture on understanding the economic psychology of China's stock market bubble and crash. He will discuss how the dreams of millions of ordinary Chinese investors have been shattered by the crash, which started before the Credit Crunch in the West and had different causes.

Professor Yao will examine the economic psychology that drove the bubble, which began in late 2005. In less than two years, the Shanghai Stock Exchange Composite Index rose from just over 1000 to more than 6000. Today the picture looks very different. In the space of ten months to mid-September 2008 the SSE Composite Index fell by more than 70%.

Professor Yao says one of the causes of the bubble may have been poor government management of the process of listing giant state-owned companies on the stock exchange. Another was irrational investing by citizens who had little understanding of the markets and the fact they can go down as well as up. "Big interest groups that exploited the boom were the biggest winners; small investors the net losers - fuelling the already serious inequality problem in today's China," he said.

GEP, which is based at the University of Nottingham, launched its China and the World Economy programme three years ago. Opening a branch in China will increase opportunities for in-depth study.

Professor Daniel Bernhofen, Director of GEP, said: "The fact that we are now in China, perfectly positioned to further increase our research into one of the most significant factors in the continuing story of globalisation, is a sign not only of China's growing role in the world economy but of our commitment to studying it as closely as possible."

Other papers to be presented at the conference include:

### **Thursday 6th November**

'The Implications of the Chinese Experience for the Developing World' by Yang Yao, Peking University.

'Has China Displaced Other Asian Countries' Exports?' by David Greenaway, Vice Chancellor, University of Nottingham.

### **Friday 7th November**

'The More the Better? Foreign Ownership and Corporate Performance in China' by Alessandra Guariglia, GEP.

'What Can We Learn From China's Economic Transformation?' by Jun Zhang, Fudan University.

### **For more information, contact:**

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### **GEP in China**

GEP - the Globalisation and Economic Policy Centre - is one of the major centres in the world studying the impacts of globalisation and economic policy.

The centre has an international reputation. Its academics have advised the WTO, the World Bank, the OECD and the Commonwealth.

GEP is based at the University of Nottingham in the UK and is substantially funded by grants from the Leverhulme Trust, one of Britain's largest funders of education and research.

In November 2008 GEP opened in China at the University of Nottingham Ningbo. It also has a centre in Malaysia.

Website: [www.gep.org.uk](http://www.gep.org.uk)