



Leverhulme Centre
for Research on Globalisation and Economic Policy

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GEP builds further research links in China

Zhejiang University's College of Economics is set to welcome a delegation from GEP's branches in Nottingham and Ningbo for a joint workshop on 18 May.

Entitled *Trade Costs, Economic Geography and Firm Heterogeneity*, the event will examine some of the issues crucial to the region's continued economic success.

Among those representing GEP will be Centre Director Professor Daniel Bernhofen and Professor Chris Milner, Head of the Nottingham School of Economics.

Professor Milner's pioneering work on trade costs was recently used to support the setting up of a major Free Trade Agreement between the EU and South Korea.

He co-authored a key study into the benefits of the landmark deal, which is expected to come into force in July after winning European Parliament approval.

The study, *The Economic Impact of the Free Trade Agreement Between the European Union and Korea*, highlighted the many positive effects for both sides.

Professor Milner said: "Considerable research has been carried out into trade volumes and the impact of costs induced by government policy.

"But economists are increasingly recognising the role played by issues such

as transport infrastructure, problems with language and the quality of institutions.

"There's now a wider acceptance that these factors encourage or discourage international trade and that the costs overall are greater than was previously thought."

Professor Milner is due to open the first of the day-long event's three sessions with a presentation entitled *Trade Costs and Trade Composition*.

Professor Bernhofen, whose work on the "natural experiment of Japan" has become required reading in graduate programmes around the world, will close the final session with a presentation entitled *Containerisation and International Trade*.

Professor Bernhofen recently completed what is thought to be the first systematic analysis of the effects of containerisation on global trade.

The period covered in his study, carried out with GEP colleagues Dr Richard Kneller and Zouheir El-Sahli, ends in 1990, before China entered the world economy.

Nonetheless, the results suggest China's strategy of heavy investment in container ports – a policy it embarked on at the end of the '70s – proved beneficial.

Professor Bernhofen said: "Transportation literature and prominent economic

commentators have suggested containerisation has played a large role in the growth of international trade since World War Two.

"Even so, quantitative evidence of containerisation's effects seems to be lacking. Our empirical approach to the question aims to fill that gap in the literature."

Other speakers at the workshop will include Dr Saileshsingh Gunessee, of GEP in China, and Dr Jie Li, Professor Shiyuan Pan and Dr Huasheng Song, of Zhejiang University.

The workshop will mark GEP's first "official" visit to the university, based in Hangzhou Province, and will be followed by a tour of the campus.

Professor Bernhofen said: "We're delighted to have this opportunity to exchange ideas and share research with our friends at the College of Economics.

"This workshop will support our ongoing work to observe and investigate the global recovery, Asia's vital role in it and, maybe most importantly of all, what lies beyond."



The University of
Nottingham

UNITED KINGDOM • CHINA • MALAYSIA

Trade Costs, Economic Geography and Firm Heterogeneity

18 May 2011

Room 418, College of Economics, Zhejiang University

Topics and speakers

Trade Costs and Trade Composition

Professor Chris Milner, GEP, University of Nottingham

Market Size, Negative Demand Shock and International Vertical Mergers

Dr Jie Li, College of Economics, Zhejiang University

The Role of Economic Geographic Factors With Spatial Elements in the Location Decision of Multinationals in Chinese Cities

Dr Saileshsingh Gunessee (with Dr Chang Liu), GEP, University of Nottingham, Ningbo

Comparative Advantage and Multi-Product Firms

Dr Huasheng Song, College of Economics, Zhejiang University

Patent Protection in a Model With Heterogeneous Firms

Professor Shiyuan Pan, College of Economics, Zhejiang University

Containerisation and International Trade

Professor Daniel Bernhofen, GEP, University of Nottingham

Daniel Bernhofen

Daniel Bernhofen is Professor of International Economics and Director of the Leverhulme Centre for Research on Globalisation and Economic Policy (GEP). Prior to moving to Nottingham he taught at Clark University (USA), Brandeis University International Business School (USA), the Fletcher School of Law and Diplomacy at Tufts University (USA) and the University of Ulm (Germany). His research interests are in the theoretical, empirical and historical aspects of globalisation and international trade.

Chris Milner

Professor Chris Milner is a Professor of International Economics. His areas of specialisation include trade and trade policy, particularly in developing countries. He joined the Nottingham School of Economics as a Professor in 1995 and has acted as an adviser to international organisations including the World Bank, UNCTAD and the Commonwealth Secretariat, as well as several governments in Africa and the Caribbean.



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About the Globalisation and Economic Policy Centre (GEP)

Based at the University of Nottingham in the UK and primarily funded by grants from the Leverhulme Trust, GEP is the major centre in Europe studying the impacts of globalisation and economic policy.

In January 2008 it opened GEP in Malaysia at the University of Nottingham's purpose-built Semenyih campus, 30km from Kuala Lumpur. In November 2008 it launched GEP in China at the University of Nottingham, Ningbo, China.

GEP is keen to promote its research work and is committed to communicating its expertise. Its academics have advised the Treasury, the OECD, the World Bank and the WTO.