



DIRECTOR'S MESSAGE

The Center for Commerce and Diplomacy: Advancing Global Economic Cooperation

The past year and a half have reminded us that events occur that are entirely unanticipated and, in large part, beyond our control. The strength of humanity is our ability to persevere, adapt and innovate to handle new challenges, and be ready should it ever occur again. Our best hope for overcoming current obstacles is close cooperation.

Throughout history we have developed institutions to facilitate cooperation. Institutions are a living memory of where we have been as a society – the pitfalls to avoid in adverse circumstances and the guardrails that help us avoid those pitfalls. Like people, institutions face new circumstances for which guard rails do not yet exist. A resilient institution is one that has the ability to evolve during periods of change, and in response to new knowledge. These periods can be uncomfortable, but essential to ensure we are ready for the next challenge.

As we embark on a new academic year, the need for strong, yet flexible, global institutions is more pressing than ever. Countries face a shared destiny and only through cooperation and coordination can we create an environment of stability and predictability to soften the landing after a blow, and realize our enormous potential in times of abundance. In short, continued peace and prosperity necessitates robust global institutions.

At CCD, our core mission is to advance global economic cooperation. We continue to fulfill our mission through rigorous academic research, harnessing our network and convening industry leaders, policymakers and scholars to discuss topics of ongoing concern: global supply chains, intellectual property rules, market access, sustainability (including climate and workforce development), policy uncertainty, multilateralism, global tax rules and national security.

In every aspect of our work we adhere to four core values: academic inquiry, diversity, collaboration and excellence. We approach all problems with the utmost academic integrity, rather than preset positions. Balance in knowledge, in turn, requires diversity of thought. Collaboration ensures that the whole is greater than the sum of the parts. We aim to execute every aspect of our important mission with the highest levels of excellence.

We see international trade and foreign investment as engines of economic prosperity and peace. Yet we also recognize the need to ensure fairness in the structure of global cooperation, sustainability and respect for national security objectives. Diplomacy is the key to creating a shared language to accomplish these aims. Our partners share this vision.

I am grateful for everyone who has supported the center's vital mission since its founding and I look forward to continuing this most important work.

Renee Bowen,
Director, Center for Commerce and Diplomacy
September 2021



RESEARCH

CCD researchers and affiliates continue to produce [groundbreaking research](#) that sheds light on institutions that sustain global cooperation.



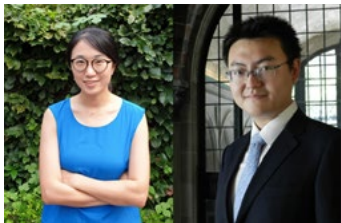
In [new work](#), Renee Bowen, Lawrence Broz and Marc Muendler demonstrate that World Trade Organization rulings in trade disputes have a significant effect on U.S. presidential elections, leading to more votes for Republican candidates. Using a novel construction of data measuring U.S. county exposure to trade dispute losses, this is the first study of its kind to make a direct link between an international institution and domestic politics.



In ["Trade Policy Transitions: Three Eras of US Trade Policy,"](#) Renee Bowen, Lawrence Broz and Peter Rosendorff model the political-economy forces that generated a shift from pre-war protectionism, to post-war multilateralism, and to the current return to protectionism. Looking at data from 1860 to the present, they show that the transition to openness was facilitated by a growing U.S. capital stock and increased social transfers. Changes in the international distribution of capital combined with slow growth of transfers since the mid-1990s are major factors in the return to protectionism.



[Yoo Sun Jung](#), a postdoctoral fellow at CCD, focuses on the effect of the legalization of international institutions on the power dynamics between rich and developing countries. [Using the example of the World Trade Organization](#) dispute settlement mechanism, she shows that a strong dispute settlement mechanism can benefit poorer countries.



Joining us in the fall are two new postdoctoral fellows, [Minju Kim](#) and [Haishi "Harry" Li](#), from the University of Chicago. Kim's innovative research shows that political sustainability of globalization depends on institutions providing optimal career incentives for bureaucrats. Li's co-authored work showed that Brazilian anti-dumping policies increased employment by 0.04%, GDP by 0.04%, but decreased welfare by 0.09%.

ACTIVITIES



The launch of our flagship conference, ["What Future for the Global Trading System?"](#) was a huge success featuring over 60 top experts in business, policy and academia addressing trade challenges and resulting in [five concrete takeaways for policymakers](#).



Through our [Global Leaders Forum](#), we continued to bring world leaders to UC San Diego, including the Most Honourable Andrew Michael Holness ON, MP, Prime Minister of Jamaica, who emphasized that many developing countries face the most harm from climate change, yet have contributed the least to it. He stressed the need for more green funding for developing countries, particularly for facilitation to adapt to climate change strategies. [Watch the video](#).



Our second [Global Leaders Forum](#) featured Jeffrey Immelt, former CEO of General Electric, who spoke on manufacturing and global supply chains. While trade wars have disrupted supply chains and domestic opposition to globalization have risen, Immelt provided fresh insights into what lies ahead for the manufacturing sector and what the government can do to address the policy challenges. [Watch the video.](#)



On behalf of the GPS student-led Strategic Studies Group, the center hosted a fireside chat with Michael Greenwald, director at Tiedemann Advisors and former United States Treasury Attache to Qatar and Kuwait. The discussion centered around Greenwald's recent publication "[The Future of the United States Dollar: Weaponizing the US Financial System.](#)"



This year our Political Economy Lunch Group (PELG) seminar series featured 14 leading scholars in economics and politics who presented new research from across the globe. [Click here](#) for the calendar and list of speakers.

NETWORK

In the past year, the number of [senior fellows and scholars affiliated](#) with the center has expanded significantly. Their expertise on international trade, political economy, digitization and investment uncertainty has advanced our research on globalization and expanded our network.

SENIOR FELLOWS



[Charles Dallara](#) is the current director of the Bank of Nova Scotia, director of the Middle East Investment Initiative and chairman of the Americas for Partners Group. During his residency, he shared his perspective on international finance and economic policy.



[Kati Suominen](#) is founder and CEO of Nextrade Group and is a global thought leader in trade, development and digitization. She has published over 100 articles and her 10th book, "[Revolutionizing World Trade: How Disruptive Technologies Open Opportunities for All,](#)" was published in 2019.

NEW AFFILIATED FACULTY



[Samuel Bazzi](#) is an associate professor at GPS whose research lies at the intersection of development economics and political economy, with a focus on how individuals and nations adapt to the challenges of diversity in a global world.



[David Fortunato](#) is an associate professor at GPS who studies how policymaking institutions structure decisions made by both governments and voters. He is the author of a recent book, "[The Cycle of Coalition: How Parties and Voters Interact under Coalition Governance.](#)"



[Kyle Handley](#) is an associate professor who holds the Rafael and Marina Pastor Chancellor's Endowed GPS Faculty Fellowship. He is an economist who specializes in international trade, investment, uncertainty and firm employment dynamics. In a [recent paper](#), he examined the trade policy uncertainty in shaping the import decisions of firms.



[Greg Horowitz](#) is the director of Innovation Design at the UC San Diego Office of Innovation and Commercialization. He is the co-founder and managing director of T2 Venture Creation and has spent more than 25 years working in startups and venture capital. He is the co-author of the bestselling book "[The Rainforest: The secret to building the Next Silicon Valley.](#)"