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## PRIMO SPBU METHODS WORKSHOP

Between Monday the 20<sup>th</sup> and Friday the 24<sup>th</sup> of April 2015 PRIMO (“Power and Region in a Multipolar Order”) Method Training Workshop was organized by the Department of World Economy as an integral part of International Economic Symposium 2015 with its 5<sup>th</sup> session “Emerging Powers in the Global Economy: Quantitative and Qualitative Approaches” totally devoted to the PRIMO topic.

PRIMO is a global PhD programme studying the rise of regional powers and its impact on international community at large. The project is a Marie Curie Initial Training Network funded by the European Commission within the 7<sup>th</sup> Framework Programme and has started on October 1, 2013. The network consists of 11 partner institutions and 3 associated partners from the academic, business and think tank world. St.Petersburg State University is one of full-fledged partners. PRIMO includes 12 PhD — so called Early Stage (ES) Research — and 2 Post-Doc-Projects. The researchers are hosted by scientific institutions in Hamburg, Oxford, Shanghai, Ankara, New Delhi, Rio de Janeiro, Lisbon, Stellenbosch, and St. Petersburg. The aim of the PRIMO network is not only the education and exchange for young researchers, but also the provision and financial support for a series of conferences related to the topic and the used scientific methods, as well as an outreach to the local and international community to take part in the discussion and events.

The workshop was dedicated to the role of quantitative data in qualitative research designs, in order to provide a better insight into possible quantitative research questions, methods and datasets for the mostly qualitative oriented PRIMO network. International and Russian experts for different quantitative methods provided in the first three days lectures and practical training sessions in econometrics, information technologies, rank correlations and expert assessments. MA Students, PhD students and the PRIMO ES-researchers from different countries learned various ways to handle large data sets and were trained in software as SPSS, STATA and GRET. By combining conceptual and methodological questions the 5<sup>th</sup> session of the Symposium was devoted to different topics related to the PRIMO Network. Researchers from various countries and different academic fields provided a comprehensive insight for students and colleagues on their current research and on its location in the methodological discourse.

The first lecture and a warm welcome to the workshop participants were given by Prof. *Sergei Sutyryn* and Dr. *Alexandra Koval*, both from SPSU. The lecture was dedicated to the interdisciplinary task of applying conceptual and theoretic thinking about power and global order to economic scientific frameworks, as well as to encourage students of economics to take under consideration a broader (in particular political) context of their research. Discussions related to the measurability and the nature of power, of the right choice of data and methods, as well as about the interplay of domestic and international regulations on trade and the global economy arose. Furthermore the lecture considered the concepts of international economic cooperation and approaches to the analysis of the changing role of national states in the world economy. How different indicators of an “economic power” could be, was shown by the case of Russia. The lecture gave as an introduction some open questions for the students and the further discussion and analysis of the power by quantitative methods.

The second lecture of the day was devoted to the discussion on possible sources of statistical information on different dimensions of economic performance for individual countries and country-groups, which can be used for the regional power analysis. It was given by Dr. *Olga Trofimenko* from SPSU and included overview of databases of international economic organizations, as well as regional databases. A special attention was paid to the WTO databases, their benefits and weaknesses as well as to available alternatives, highlighting their comparability and credibility of information presented. Just to name some examples, the lecture was looking at the WTO Trade and Tariff Data, the WTO Trade

Intelligence Portal, the WTO Trade monitoring Data Base, the INTRACEN Trade Map as well as at UNCTAD Data Bases.

The next three sessions and practical exercises were given by Dr. *Artem Prokhorov* from the University of Sydney and SPSU on the stimulating topic “Econometric Analysis: How to conduct and how to read”. It covered basic statistical methods with a focus on simple and multiple linear regression analysis, as well as time series and panel data methods. Dr. Prokhorov was thereby showing for example the necessity of testing heteroscedasticity in regression analysis and autocorrelation. During the practical exercises datasets of the BRICS were analyzed by the students and postgraduates with GRETL software in order to test the gravity model of international trade.

Dr. *Vladimir Sherov-Ignatiev* from Department of World Economy from SPSU gave a presentation on “Asymmetry in Regional Economic Relations: Prospects for Regional Powers”. He explained the audience where to find and how to use data on regional trade agreements, in order to show the importance of asymmetry of size, asymmetry of the level of development and asymmetry of national economies. Furthermore Dr. Sherov-Ignatiev discussed some possible implications of the asymmetry, demonstrating how it might influence the form, scope, and economic effects of different trade agreements. Discussions arose also about the differences between predominantly symmetric and predominantly asymmetric regional trade agreements, as well as about the complexity of the TPP and TTIP.

Dr. *Tatiana Lezina* from SPbU contributed with a lecture on “Information Technologies in Analyzing Quantitative Data”. It was based upon SPSS software and devoted to the discussion on how to get appropriate analytical skills and technical abilities to predict future outcome on the basis of past and present economic data. The lecture used data on customers’ behavior and on relationships between certain independent and dependent variables. That topic was extended by the practical exercise from Dr. *Alexandra Malova* from SPSU on cluster analysis. In this session the participating MA and PhD students, as well as ES-researchers got an insight on how clusters can be found and interpreted in data sets. The interesting point at this lecture is, that cluster analysis could help in the research on global economy to classify and categorize states.

The first two sessions on Wednesday, April 22 were the last ones explicitly focused on research methods. First Prof. *Elena Efimova* from SPbU gave a lecture on “Rank Correlation in the Analysis of Regional Powers” and demonstrated how Spearman’s Rank and Student’s t-test can be used in order to show the strength of relationships. The example here was the trade development and structure of the Baltic area in the last 15 years. Afterwards an insight in “Expert Assessments” was given by Dr. *Maria Yudaeva* from SPbU. In her presentation she elaborated on a very significant issue of how to use expert assessments and how to find biases and paradoxes of information provided by the experts. While conducting interviews with the latter interviewer has to take into account the limitations of the experts’ knowledge and perceptions.

During the second part of the week, starting Wednesday afternoon, international experts and scientist gave lectures on a broader theoretical and methodological spectrum, on recent outcome of current research projects related to the PRIMO topics and on the conceptualization of a research design. Many of those lectures were public and embedded in the International Economic Symposium.

Prof. *Jun Zhang* from the Fudan University in Shanghai gave a lecture on “The Long-Term Economic Growth in China”, in which he gave insights in the current situation of Chinese economic performance and a forecasting for the economic growth until 2035. His main argument is that China still has a huge potential for growth, taking into account that still 1/3 of Chinas working force is related to the agriculture sector and can be moved to more profitable industrial sectors and services. On the other hand, reforms and state regulation are needed in order to sustain the accumulated momentum and to provide an equal and just welfare structure.

Prof. *Robert Kappel* from the German Institute of Global and Area Studies presented his current research project on the ‘Economics of Rising Powers’. He argues that several modern economies including those from BRICS rise in their regional, economic and global power. Hence, the researchers are challenged with necessity to find a proper conceptual framework, relevant criteria, as well as most appropriate economic factors in order to investigate and to explain their power shifts. Prof. Kappel

claims that economic dynamic, geography, vertical networks, regional integration and relational power might be used for that purposes.

Importantly, Prof. *Cord Jakobeit* and Dr. *Jörg Meyer* from the University of Hamburg gave a lecture on “The Relationship between Quantitative and Qualitative Analyses”. Together they discussed various methods that were applied in a more general context of different research designs. Lecturers showed which specific approaches in that cases will give the right answers. Possible mistakes that might emerge, for example if someone uses a quantitative method to answer a qualitative question or vice versa were also presented. Method based on mixing or applying both qualitative and quantitative “schools” is possible, but should be made carefully.

One of the major highlights of the week were surely the plenary presentations of the International Economic Symposium where many prominent lectures were given to a broader audience by Nobel Prize winner in economics Prof. *Christopher A. Pissarides* of the London School of Economics, Prof. *Frederick van der Ploeg* from Oxford University, Prof. *Belverd E. Neddles* from DePaul University in Chicago, Prof. *Dirk Stelzer* from Ilmenau University and Prof. *Leonid D. Shirokorad* from SPbU. Even if most of their speeches were not explicitly related to the PRIMO topics but to the topics of the whole symposium, students and scientist were strongly engaged in the discussions.

Another outstanding highlight of the week was the visit of *Anton G. Siluanov*, Minister of Finance of the Russian Federation, who spontaneously gave a lecture for the 75<sup>th</sup> anniversary of the Faculty of Economics, as well as question and answer session on Friday, April 25 morning. He spoke about the current situation of the Russian economy and the financial downfall in December 2014, on the state reserves, about governmental plans and predictions. Mr. Siluanov also gave some recommendations to the students on how to find a job and whether it would be more profitable to work for the government or in the private sector.

Finally the 5<sup>th</sup> session of the symposium “Emerging Powers in the Global Economy: Quantitative and Qualitative Approaches” gave a lot of speakers the chance to present their reports in an open round and to exchange ideas and findings. Those presentations were as follows:

Prof. *Shawki M. Farag*, American University in Cairo “The Demise of the Unipolar and the Return of the Multipolar International System”; Dr. *Nikolay A. Kozhanov*, SPbU “Iran and International Economic Sanctions: Can Punitive Measures Prevent the Rise of Iran as a Leading Regional Power of the Middle East?”; Dr. *Basak Kale*, Middle East Technical University Ankara “Turkey as an Emerging Power in the Global Governance”; Prof. *Robert Kappel*, GIGA “The Economics of Rising Powers”; Dr. *Artem B. Prokhorov*, University of Sydney and SPSU “Fat Tails and Copulas: Financial Contagion, Crises, and Limits of Diversification for BRICS and other Volatile Market”; Prof. *Nikita A. Lomagin*, SPbU “Russia as Re-Emerging Power in the Contemporary Global Economy”; Prof. *Viacheslav M. Shavshukov*, SPbU “BRICS: The New Phenomenon in the Global Economy and Finance”; *Irina Y. Mironova*, Energy Research Institute at Russian Academy of Sciences “Perspectives of Natural Gas Market Development in the Asia Pacific Region in the Light of Pricing Mechanisms Evolution: Implications for Russia’s Strategy”; Dr. *Kirill A. Likhachev*, SPbU “India’s Trade Imbalance with China and its Influence on the BRICS”; Dr. *Zoya S. Podoba*, SPbU “Japan’s Changing Role in the World Economy”; Dr. *Vladimir G. Sherov-Ignatiev*, SPbU “Megaprojects of Regional Integration and their Probable Implications”; *Henok Birhanu Asmelash*, PhD student, Bocconi University and University of St. Gallen “Ethiopia’s Long Walk to WTO Membership”; *Martin Pioch*, PRIMO Fellow and Research Trainee, SPbU “How to Evaluate the Impact of the BRICS in the WTO?”

Both the workshop and Symposium session gave the participating students, PhD students, researchers and scientists a comprehensive input in two closely related issues: quantitative methods in international political economy and trade, as well as detailed insights on emerging powers in a multipolar world. Global problems and research questions — especially at the meeting-point of international politics and global economy — are in need to find sufficient tools and methods. In many cases the combination of different approaches can help to answer the increasingly complex developments of today’s world.