

Climate Change and Chinese Exports

By Prof. ZHAO Laixun, Lex

Professor

Research Institute for Economics & Business

Kobe University, Japan

Date: 21 April 2023 (Friday)

Time: 3:00pm - 4:30pm

**Venue: WYL314, 3/F, Dorothy Y. L. Wong Building,
Lingnan University**



ABSTRACT:

We investigate the impacts of climate shocks on Chinese firm exports from multiple dimensions, and find that: (1). An inverted U- shaped relationship is clearly observed between temperature and firm exports even after controlling for spillover effects and unobservable effects; however, precipitation does not seem to affect exports significantly. (2). The main channels are through the reduction of productivity and export variety, increasing the cost and import substitution of intermediate goods. Heterogeneity analysis reveals that private-owned firms and labor-intensive products are more likely to suffer; also, firms in colder cities tend to adapt to low temperatures while those in hotter cities do not adapt easily to high temperatures. (4). We further investigate the impacts of the 2008 snow disaster in China using a DID method, and find it mainly decreases the exports of private firms and small firms. (5) If 'global warming' is kept within 2° C in 2030-2064, it may reduce Chinese annual exports by \$125 billion, equivalent to 1.1% of 2016 GDP; but if warming exceeds 4°C, annual exports may fall by \$698 billion, equivalent to 6.2% of 2016 GDP.

BIOGRAPHY:

Prof Lex (Laixun) Zhao is a Professor of Economics at Kobe University, Japan. He received his Ph.D. from University of Florida in 1993. He is an Co-Editor of the Journal of International Trade & Economic Development and a Managing Editor of the Japanese Accounting Review.

His main research field is international economics. His research papers were published in well-known academic journals, including the Journal of Development Economics, Journal of International Economics, Journal of Economics Behavior & Organization, and Journal of Mathematical Economics.

Welcome to join !

****Registration is required****

Register HERE:

