**PLS 900 Mini Project 2**

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**Question**: does China’s joining the WTO have any effect on the trading patterns?

**Data**: COW trade dataset

We are interested in the trading patterns before and after China joining the WTO, so we subset the COW trade dataset into two parts. The first part includes all the countries in the year 2000, one year before China joined the WTO. The second part includes all the countries in the year 2008, when the international financial crisis happened. Because we are only interested in the major players, so we subset the data again to only include those cases with smooth trade of more than 50,000 million dollars. We ended up having 22 major trading partners in 2000 and 59 major trading partners in 2008. We do not take inflation into consideration because the dataset smoothed the trading data.

**Centrality Analysis**: we conducted four centrality analyses for each of the two datasets. By simply comparing the trading relationship in the year 2000 when China was not a member of the WTO with that of the year 2008 when China had been a member of WTO for seven years and the international financial crisis happened, we can clearly see that joining WTO has made China a major trading player in the international trading system. In 2000, China has low centrality by all four measures, in 2008, China has high centrality by all four measures.

