



**NEWSLETTER 2020-09**

**CALENDAR:**

**IOS/UR Seminar (Prof. Frensch)**

Richard Frensch (IOS Regensburg/Universität Regensburg):  
*Rivers, Mountains, and Trade*

**Zoom meeting**

Tuesday, Mai 05  
13:30-15:00  
Meeting ID: 912 7768 6307

## ABSTRACTS:

**IOS/UR Seminar (Prof. Frensch)**

Richard Frensch:

*Rivers, Mountains, and Trade*

*Abstract:* Literature has so far focused on distance, common borders, and access to the sea to assess geography's impact on trade. The dual role of rivers, however, has never been explicitly considered: rivers, and the valleys they have formed, represent natural borders against but also natural pathways for trade. We expand the existing bilateral geographical CEPII-database by adding novel detailed primary data on the European river network along and across country borders. We also construct a new indicator for mountainous terrain, i.e., the ruggedness of trade routes for more than a thousand European country pairs. Applying two-stage structural gravity estimations, we assess the impact of international rivers versus mountains. We show that river connections and moderate river borders create trade, while dominant river borders and mountains are detrimental to trade. The positive net effects of rivers on trade are less important – and also less persistent – than the negative effects of mountains. Our results are due to the existence of river valleys rather than to rivers per se, i.e., they are independent from specific modes of transport chosen along or across river valleys.

**Info:** <https://uni-regensburg.zoom.us/j/91277686307>

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**Editorial deadline for Newsletter No. 2020-10:**  
**Wednesday, Mai 06 – 11 am**

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