

Global Value Chains

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Outline

- 1 Research questions
- 2 Interrelated strands of work
- 3 Deliverables
- 4 Benchmarks and dates

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Mapping/measurement of GVCs

- Results from OECD/WTO and EC/WIOD projects
- Further research
 - ... aggregate, “upstreamness” (Antràs (2012))
 - ... firm-level

Drivers of GVCs

- Technology and liberalization
- Possible relocation of GVCs?
- Which firms use GVCs?
- Theoretical models on sequential production
Eg: Findlay (1978), Dixit and Grossman (1982), Sanyal (1983), Kremer (1983), Yi (2003), Harms, Lorz, and Urban (2009), Baldwin and Venables (2010), Costinot et al. (2011), Antràs (2011).

Which countries are gainers or losers and policy impacts of GVCs

- Gainers and losers
- Interdependence of economies
- Labour market (macro and firm-level)
- Global imbalances

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Research network with deep policy concerns

- Compute set of selected indicators
Indicators → Policy note → Papers → CompNet series
- Longer-term research papers
Papers → CompNet series

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Possible indicators . . . with several caveats

- Simple IO-based measures (Feenstra and Hanson (1996) (import content) and Hummels et al. (2001) (vertical specialization)
- Trade of parts and components as a percentage of total trade
- Inward-outward processing trade
- Share of imported intermediates in total intermediates (ideally computed by firm and aggregated by sector)
- Share of exports of final goods in total exports (computed at the aggregate country level (. . . this does not capture the assembly stage of final goods as part of GVCs)
- Export market share in the subsets of intermediate and final goods
- Terms of trade of imported (non-oil) intermediates vs. exported final goods
- The price index of imported final goods vs. the price index of exported intermediates
- Share of employment in the production of intermediates on total employment
- Share of domestically generated profits on total profits (computed at firm level and maybe also by looking at income flows from FDI in the income balance)

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Tentative program until the end of 2012

- Define sub-teams and respective indicators (next **two weeks**)
- Circulate results and drafts (by **mid-August**)
- Teams present results and preliminary drafts (in **September's 2nd CompNet meeting**)
- Revised versions (by **mid-December**)

Tentative program until the end of 2012

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