

The Intangible Economy How Services Shape Global Production And Consumption Development Trajectories In Global Value Chains

Adopting the Song of Phrase: An Psychological Symphony within **The Intangible Economy How Services Shape Global Production And Consumption Development Trajectories In Global Value Chains**

In a global taken by monitors and the ceaseless chatter of immediate conversation, the melodic elegance and mental symphony developed by the prepared term often fade into the background, eclipsed by the constant sound and distractions that permeate our lives. However, nestled within the pages of **The Intangible Economy How Services Shape Global Production And Consumption Development Trajectories In Global Value Chains** a charming fictional prize filled with fresh emotions, lies an immersive symphony waiting to be embraced. Constructed by a wonderful composer of language, this captivating masterpiece conducts visitors on an emotional trip, skillfully unraveling the hidden melodies and profound affect resonating within each cautiously crafted phrase. Within the depths of the poignant evaluation, we will explore the book is central harmonies, analyze its enthralling publishing style, and surrender ourselves to the profound resonance that echoes in the depths of readers souls.

An Investment Perspective on Global Value Chains Christine Zhenwei Qiang 2021-06-15 This report investigates the role of foreign direct investment (FDI) in helping developing countries participate in global value chains (GVCs). It combines the perspectives and strategies from three types of players: multinational corporations, domestic firms and governments. It aims to provide practical guidance for developing countries to develop strategies that use FDI to strengthen GVC participation and upgrading. The report has six main chapters: 1. FDI and GVCs. Assesses the trade-investment nexus and analyzes the effect of FDI in countries' GVC participation and upgrading at the country level. 2. MNCs shape GVC development. Highlights MNCs' contribution to global economy and how their business strategies shape the evolution of GVCs. The chapter also compares MNCs' business strategies in terms of outsourcing and offshoring, risk mitigation and increasing market power

across GVC archetypes. 3. Domestic firm perspectives on GVC participation. Looks at the various paths domestic firms can take to internationalize their production and trade. Investigates domestic firm characteristics that predict higher GVC participation, and the effect of GVC participation on firm performance. 4. Investment policy and promotion: what is in a government's toolbox? Summarizes the various policy instruments governments have at their disposal to help attract MNCs to their country and facilitate GVC participation of domestic firms. 5. Integrating countries into GVCs. Draws on a range of case studies to illustrate how governments can develop coherent strategies and policy packages to integrate their countries into GVCs. 6. FDI and GVCs in the wake of COVID-19. Reflects the impact of COVID-19 on FDI and GVCs, the response from multinationals and suppliers, and the implications for GVC reconfiguration. In addition, there are seven case studies that offer more nuanced analysis on the GVC participation in

selected countries and sectors. • Five qualitative case studies: Five countries have been selected that managed to use FDI to stimulate GVC participation using a range of approaches. By design, these five countries also cover five different GVC archetypes. These countries are: (1) Kenya (horticulture); (2) Dominican Republic (textiles); (3) Mauritius (tourism); (4) Malaysia (electronics); (5) China (software). • Two quantitative case studies: Rwanda, West-Bengal (India). These use a combination of firm- and transaction level datasets to study firm-level dynamics that explain the role of multinational and domestic firms across GVCs.

Development with Global Value Chains Dev Nathan 2018-11-30 Can firms and economies utilize global value chains for development? How can they move from low-income to middle-income and even high-income status? This book addresses these questions through a series of case studies examining upgradation and innovation by firms operating in GVCs in Asia. The countries examined are China, India, South Korea, the Philippines, and Sri Lanka, with studies of firms operating in varied sectors - aerospace components, apparel, automotive, consumer electronics including mobile phones, telecom equipment, IT software and services, and pharmaceuticals.

Global Value Chains in a Changing World Deborah Kay Elms 2013 A collection of papers by some of the world's leading specialists on global value chains (GVCs). It examines how GVCs have evolved and the challenges they face in a rapidly changing world. The approach is multi-disciplinary, with contributions from economists, political scientists, supply chain management specialists, practitioners and policy-makers. Co-published with the Fung Global Institute and the Temasek

Global Value Chains and the Exchange Rate Elasticity of Exports Swarnali Ahmed 2015-11-30 This paper analyzes how the formation of Global Value Chains (GVCs) has affected the exchange rate elasticity of exports. Using a panel framework covering 46 countries over the period 1996-2012, we first find some suggestive evidence that the elasticity of real manufacturing exports to the Real Effective Exchange Rate (REER) has

decreased over time. We then examine whether the formation of supply chains has affected this elasticity using different measures of GVC integration. Intuitively, as countries are more integrated in global production processes, a currency depreciation only improves competitiveness of a fraction of the value of final good exports. In line with this intuition, we find evidence that GVC participation reduces the REER elasticity of manufacturing exports by 22 percent, on average.

Achieving Sustainable Development and Promoting Development Cooperation Department of Economic & Social Affairs 2008 This book presents an overview of the key debates that took place during the Economic and Social Council meetings at the 2007 High-level Segment, at which ECOSOC organized its first biennial Development Cooperation Forum. The discussions also revolved around the theme of the second Annual Ministerial Review, "Implementing the internationally agreed goals and commitments in regard to sustainable development."--P. 4 of cover.

Globalisation and Services-driven Economic Growth Niels Beerepoot 2016-07-28 Following drastic shifts in the spatial organization of goods production, increasingly fierce competition now forces firms also to look critically at how to organize the production of services. While digitization and advances in information and communication technologies have enabled firms to unbundle service production processes, the increased global availability of skilled labour allows for the relocation of ever more of these processes around the world. As a result, a new geography of services production takes shape: a geography that is defined by new interregional and international divisions of labour and held together by increasingly complex global services production networks. This book examines how the reorganisation of services production alters relations between and generates different sets of challenges and opportunities for economic development in the Global North and the Global South. Drawing from 11 case studies probing various aspects of services production in different parts of the world, the book brings out the remarkable heterogeneity and transformative

capacities of services. It successively shows how global trade in services creates new interdependencies between services producing and services consuming regions; reveals how services help to mitigate the impact of and contribute to recovery from economic crises in the Global North; and demonstrates how services offshoring fosters economic development and service-sector driven modernisation processes in the Global South. The book's openness to the heterogeneous and dynamic nature of services production enlarges our understanding of which particular services in which spatiotemporal context have the capacity to generate good jobs, contribute to productivity and drive economic growth. The book stands out from other books in the field in that it combines perspectives on services-driven transformations from both the Global North and the Global South and looks into the role of various services segments. Based on pioneering empirical research and original data it offers a timely contribution to this growing debate. The book provides valuable insights for students, scholars and professionals interested in services, services offshoring, services-driven growth, and socioeconomic transformations in the Global North and South.

Global Value Chains and Global Production Networks

Jeffrey Neilson 2017-10-02 The global economic system is experiencing a profound period of rapid change. The emergence of globalised production and distribution systems, which bring together diverse constellations of economic actors through a complex regime of global corporate governance, state regulation and new international divisions of labour, demands corresponding and innovative explanatory models. Global value chains (GVCs) and global production networks (GPNs) have been particularly useful as conceptual frameworks for understanding the global market engagement of firms, regions and nations. This book examines the rise of GVCs and GPNs as dominant features of the international political economy. It brings together leading thinkers in the field and sets out new directions for future scholarship in understanding the contemporary global economic system. In doing so, this book makes a significant contribution to

our understanding of the international political economy and the global economic system in the post-Washington Consensus era of contemporary capitalism. This book was published as a special issue of the Review of International Political Economy.

Making It Big Andrea Ciani 2020-10-08 Economic and social progress requires a diverse ecosystem of firms that play complementary roles. *Making It Big: Why Developing Countries Need More Large Firms* constitutes one of the most up-to-date assessments of how large firms are created in low- and middle-income countries and their role in development. It argues that large firms advance a range of development objectives in ways that other firms do not: large firms are more likely to innovate, export, and offer training and are more likely to adopt international standards of quality, among other contributions. Their particularities are closely associated with productivity advantages and translate into improved outcomes not only for their owners but also for their workers and for smaller enterprises in their value chains. The challenge for economic development, however, is that production does not reach economic scale in low- and middle-income countries. Why are large firms scarcer in developing countries? Drawing on a rare set of data from public and private sources, as well as proprietary data from the International Finance Corporation and case studies, this book shows that large firms are often born large—or with the attributes of largeness. In other words, what is distinct about them is often in place from day one of their operations. To fill the “missing top” of the firm-size distribution with additional large firms, governments should support the creation of such firms by opening markets to greater competition. In low-income countries, this objective can be achieved through simple policy reorientation, such as breaking oligopolies, removing unnecessary restrictions to international trade and investment, and establishing strong rules to prevent the abuse of market power. Governments should also strive to ensure that private actors have the skills, technology, intelligence, infrastructure, and finance they need to create large ventures. Additionally, they should

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actively work to spread the benefits from production at scale across the largest possible number of market participants. This book seeks to bring frontier thinking and evidence on the role and origins of large firms to a wide range of readers, including academics, development practitioners and policy makers.

The Intangible Economy Deborah K. Elms 2017-07-04 The Intangible Economy: How Services Shape Global Production and Consumption studies aspects of the role of services in development as well as on particular sectoral issues, always with policy considerations lurking not far from the analysis. The volume highlights the evolution and significance of services in the global economy, including as a vehicle for development. It discusses the major pillars that hold the services infrastructure together, namely, its governance and financing mechanisms. Other chapters adopt more specific geographical or sectoral perspectives, including a regional study of the impact of services in economic integration in ASEAN; a country-level analysis of the role of services in economic and social upgrading in India; a look at industry-specific dynamics through the business process outsourcing model; and finally, a value chain view to understand how services are impacted on a granular or micro level by policies.

The Economic Importance of Intangible Assets Patrizio Bianchi 2017-11-30 This book is the result of a two-year interdisciplinary research programme named PRISM (Policy making, Reporting and measuring, Intangibles, Skills development and Management), financed by the European Commission and aimed both at understanding better how these assets are created and developed and what the policy implications of their growing importance in economies are. The book focuses on the policy issues raised by the increasing importance of intangible assets in a country's growth and competitiveness. The main idea is that the value of intangible assets, which is imperfectly captured by current economic indicators and imperfectly formalized in economic theory, lies in their being the cumulative elements that keep the economy together - the glue of the system. This argument leads to the focus on

networks and social capital as drivers of the development of intangible assets and is illustrated by the case of EU innovation and knowledge diffusion policy.

Productivity Growth and Value Chains in Four European Countries

Ms. Izabela Karpowicz 2020-01-31 Advanced economies have been witnessing a pronounced slowdown of productivity growth since the global financial crisis that is accompanied in recent years by a withdrawal from trade integration processes. We study the determinants of productivity slowdown over the past two decades in four closely integrated European countries, Austria, Denmark, Germany and the Netherlands, based on firm-level data. Participation in global value chains appears to have affected productivity positively, including through its effect on TFP when facilitated by higher investment in intangible assets, a proxy for firm innovation. Other contributors to productivity growth in firms are workforce aging, access to finance, and skills mismatches.

Next Generation Supply Chains Rosanna Fornasiero 2020-12-31 This open access book explores supply chains strategies to help companies face challenges such as societal emergency, digitalization, climate changes and scarcity of resources. The book identifies industrial scenarios for the next decade based on the analysis of trends at social, economic, environmental technological and political level, and examines how they may impact on supply chain processes and how to design next generation supply chains to answer these challenges. By mapping enabling technologies for supply chain innovation, the book proposes a roadmap for the full implementation of the supply chain strategies based on the integration of production and logistics processes. Case studies from process industry, discrete manufacturing, distribution and logistics, as well as ICT providers are provided, and policy recommendations are put forward to support companies in this transformative process.

Supply Chain Perspectives and Issues Albert Park 2013 The many manifestations of international production sharing have become the organizing theme for practically any discussion on

production, trade, investment, development and international economic cooperation more generally. GVCs are at the economic heart of globalization. Policies of governments are central to outcomes, influencing the establishment, configuration and operation of GVCs in numerous ways. Technological possibilities and firm behaviour are also crucial determinants of what happens in the supply chain world. Global value chains (GVCs) have become ubiquitous. The literature that attempts to understand and explain GVCs is vast, multi-disciplinary and no less complex than the phenomenon itself. This volume is an ambitious attempt at a fairly comprehensive review of literature on the subject. --Publisher description.

Innovation in an Advanced Consumer Society

Peder Inge Furseth 2016 This book aims to develop innovation theory by focusing on innovation in a consumer society. In an advanced consumer society, services dominate and are provided through digital as well as physical channels by local, national and global firms. This book aims to identify the ways in which value can be increased for all stakeholders through both incremental and disruptive innovation. When interacting with leading businesses, there is a common acceptance that we need a better understanding of how to innovate in a service economy. Today, most advanced economies are service and knowledge based, accounting for about 70 percent of GDP. OECD reports document a considerable knowledge gap related to service innovation. It is a challenge for both business and society that future economic growth will increasingly be based on services rather than manufacturing and products. Failing to understand innovation issues in this context as an engine for growth is somewhat alarming. This raises the question: do we know how to innovate successfully in a consumer driven society? In this book, the authors develop the concept of Value Driven Service Innovation, alongside a methodology for applying this approach in practice: the Service Innovation Triangle. They develop a better understanding of innovation, based on the uniqueness of services in order to develop the theory of service innovation suitable

for a consumer society.

Global Value Chains and World Trade René Antonio Hernández 2014 "Selection of original papers presented at the international conference 'Latin America's Prospects for Upgrading in Global Value Chains,' held on 14-15 March 2012, at Colegio de Mexico, Mexico City"--Title page vers

Trade, Investment and Intangibles Ari Van Assche 2020 Located at the heart of global value chains (GVCs), intangibles are documented to have a high and rising value capture, and to depend on both agglomeration economies and global connectedness for their performance. In this paper, we study how the distinct nature of intangibles require countries to develop novel policy prescriptions to attract intangible-intensive activities and to increase the value capture of these activities. We suggest that such GVC-oriented policies fall into three categories: Attractiveness policies that aim to strengthen the appeal of a location for intangible activities; Buzz policies that intend to strengthen the local production and innovation ecosystem; and Connectedness policies that aspire to strengthen the local ecosystem's connections to other locations. Together, they constitute the ABCs of GVC-oriented policies.

Making Cars in the New India Tom Barnes 2018-05-03 Studies labour relations in the Indian auto industry by drawing upon a range of critical social and economic theories.

Geopolitics, Supply Chains, and International Relations in East Asia Etel Solingen 2021-05-06 An accessible overview of political, economic, and strategic dimensions of global supply chains in a changing global political economy.

The Restructuring of Global Value Chains Yunshi Mao 2022-05-26 This book discusses the feasible breakthrough of emerging economy enterprises in participating the international division of labor led by developed countries and gradually standing at the top end(s) of the value chain based on a deep understanding of the practice and upgrading opportunities of Chinese enterprises. On the basis of re-understanding the theory of global value chains, this book puts forward and expounds the concept of restructuring the global value chain.

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This book analyzes the background, motivations, paths and effects of enterprises in emerging economies to reconstruct the global value chain and develops a theoretical system to explore the deep-seated logic behind enterprise upgrading. This book concludes that the transformation and upgrading of Chinese enterprises are the most critical initiatives in seeking a new balance in the world economy. This book involves dozens of manufacturing enterprise cases in Chinese mainland and Taiwan. It is of great value to the research and policy study of enterprise upgrading and the participation in global competition.

Global Value Chains in a Postcrisis World Olivier Cattaneo 2010 The book looks to address the following questions in a post-crisis world: How have lead firms responded to the crisis? Have they changed their traditional supply chain strategy and relocated and/or outsourced part of their production? How will those changes affect developing countries? What should be the policy responses to these changes?

Handbook on Global Value Chains Stefano Ponte 2019 Global value chains (GVCs) are a key feature of the global economy in the 21st century. They show how international investment and trade create cross-border production networks that link countries, firms and workers around the globe. This Handbook describes how GVCs arise and vary across industries and countries, and how they have evolved over time in response to economic and political forces. With chapters written by leading interdisciplinary scholars, the Handbook unpacks the key concepts of GVC governance and upgrading, and explores policy implications for advanced and developing economies alike. p.p1 {margin: 0.0px 0.0px 0.0px 0.0px; font: 10.0px Arial}

Global Value Chains Pol Antràs 2021 This paper surveys the recent body of work in economics on the importance of global value chains (GVCs) in shaping international trade flows and multinational activity. On the empirical front, we begin reviewing several variants of the "macro approach" to measuring the relevance of global production sharing in the world economy, and we also offer a critical evaluation of the country- and industry-level datasets (or World Input Output

Tables) that have been used to date. We next discuss the advantages and disadvantages of a burgeoning alternative "micro approach" that has instead employed firm-level datasets to document the ways in which firms have sliced up their value chains across countries. On the theoretical front, we propose an analogous dissection of the literature. First, we review a vast body of work developing country- and industry-level quantitative frameworks that are easily calibrated with World Input Output Tables, and that open the door for counterfactual exercises with minimal demands on estimation. Second, we overview micro-level frameworks that have treated firms rather than countries or industries as the relevant unit of analysis, and that have unveiled a number of distinctive mechanisms by which GVCs shape the determinants and consequences of international trade flows in ways distinct from traditional models of international trade. We close this survey with a discussion of a still infant literature on the desirability and effects of trade policy in a world of GVCs.

The New Offshoring of Jobs and Global

Development Gary Gereffi 2006 This book is based on the 7th ILO Social Policy Lectures, which are endowed with the ILO's Nobel Peace Prize, held in Kingston, Jamaica in December 2005. In keeping with the topics covered in the lecture series, it uses the global value chains perspective to look at how offshore outsourcing has affected the quantity and quality of jobs in the global economy. While offering an overview of the contemporary global labour market, the book examines the issue of global consolidation and industrial upgrading and its promise and perils for development. It introduces an analytical framework for linking jobs in the industrial structures of both advanced and developing economies through the dynamics of global value chains. It reviews the strategies of leading firms global retailers, branded marketers, and brand-name manufacturers and considers the conceptualisation of jobs in the global economy not by their location in particular industries or countries, but by their role in global value chains. The author argues that, given the special features of global value chains, there is a need to

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reconsider the contemporary notions of global corporate social responsibility and private as well as public governance

Global Value Chains and Development Gary Gereffi 2019-01-24 Studies conceptual foundations of GVC analysis, twin pillars of 'governance' and 'upgrading', and detailed cases of emerging economies.

Global Value Chains and Productivity: Micro Evidence from Estonia Hang T. Banh 2020-07-03

The COVID-19 pandemic has led to an unprecedented collapse in global economic activity and trade. The crisis has also highlighted the role played by global value chains (GVC), with countries facing shortages of components vital to everything from health systems to everyday household goods. Despite the vulnerabilities associated with increased interconnectedness, GVCs have also contributed to increasing productivity and long-term growth. We explore empirically the impact of GVC participation on productivity in Estonia using firm-level data from 2000 to 2016. We find that higher GVC participation at the industry level significantly boosts productivity at both the industry and the firm level. Frontier firms, large firms, and exporting firms also benefit more from GVC participation than non-frontier firms, small firms, and non-exporting firms. We also find that GVC participation of downstream industries has a negative correlation with productivity. Frontier firms and large firms benefit more from GVC participation of upstream industries, while non-frontier firms and small firms benefit more from GVC participation of downstream industries. Our results suggest that policies designed to promote participation in GVCs are important to raise aggregate productivity and potential growth in Estonia.

Measuring and Analyzing the Impact of GVCs on Economic Development World Trade Organization 2017 This report is about a huge contribution to our deepening understanding of what the global economy really means and how it is changing. The report helpfully distinguishes elements of an economy that are tradable and the large set that are non-tradable. Clearly the tradables set is expanding with the support of enabling

technology. The report argues that connectivity in the networks that define the evolving architecture of GVCs is important. This Global Value Chain Development Report is the result of intensive and detailed work in assembling and analyzing data on the structure of economies and on how they are linked. It creates a much clearer picture of evolving patterns of independence. It also presents a much clearer picture of comparative advantage. --Publisher description.

Labour in Global Value Chains in Asia Dev Nathan 2016-10-13 This book brings together a set of studies on labour conditions in global value chains (GVCs) in a variety of sectors, ranging from labour-intensive sectors (garments, fresh fruits, tourism), to medium and high technology sectors (automobiles, electronics and telecom) and knowledge-intensive sectors (IT software services). The studies span a number of countries across Asia - Bangladesh, Cambodia, China, India, Indonesia, Sri Lanka and Vietnam. This book stands out for its grounded and detailed examination of both what is working and what is not working as Asian labour gets more embedded in global value chains. In trying to identify spaces for progressive action and policies in the current GVC-linked global work environment, the book goes against the grain in searching for an alternative to laissez faire forms of globalisation.

Intangibles, Market Failure and Innovation Performance Ahmed Bounfour 2014-11-26 This book addresses the issue of intangibles' contribution to growth at macroeconomic and microeconomic levels. It provides a review of a set of new approaches to innovation growth. It also considers the issue of how to invest in intangibles, especially with regard to the market failure issue. The book focusses on three major themes: First it provides a better understanding of how intangibles contribute to economic growth and value creation. In a second part it presents emerging practices as well as examples of market failure, analyzing managerial practices in relationship to market imperfections. Finally the book links the value of intangibles with innovation and the performance of firms.

The Contribution of Intangible Inputs and Participation in Global Value Chains to

Productivity Performance Aggelos Tsakanikas

2020 This paper analyzes the contribution of intangible inputs and participation in global value chains (GVCs) to the productivity performance of an EU-28 country sample over the time frame 2000-2014. Utilizing new data from the GLOBALINTO Input-Output Intangibles database, this paper finds a positive relationship between a country's intangible inputs and its productivity performance once the interaction between intangible inputs and the participation in Global Value Chains is taken into account. This effect is stronger in the subset of 19 euro area countries. The results clarify that national and European policymakers should ensure the mechanisms, the tools and the legislative framework that will support sufficient production and development of intangible inputs by investing in public intangibles, such as the quantity and quality of a highly-skilled labour force and well-functioning formal and informal institutions that could lead to the further growth of intangibles. Furthermore, the need for a unified EU intangibles policy framework arises, in which common guidelines align national agendas in order to address the relevant gaps in intangibles industrial policy.

A Manual on Statistics of International Trade in Services International Monetary Fund

2003-03-06 The Manual sets out an internationally agreed framework for the compilation and reporting of statistics on international trade in services in the broad sense. It addresses the growing need, including in international trade negotiations and agreements, for more detailed, comparable, and comprehensive statistics on this type of trade in its various forms. The recommendations will enable countries to progressively expand and structure the information they compile in an internationally comparable way. The Manual conforms with and explicitly relates to the System of National Accounts 1993 and the fifth edition of the IMF's Balance of Payments Manual. It is published jointly by the United Nations, European Union, IMF, OECD, UNCTAD, and World Trade Organization.

Intangible Asset Gap in Global Competitiveness

Eskil Ullberg 2020-11-30 This book examines the

role of intangible assets (IA) in companies and countries for achieving sustainable economic growth. The authors particularly focus on Sweden and other Nordic countries to analyse the IA gap using a systematized "IA metrics" approach. They also discuss the incentives needed for strategic investments into useful IA to gain national competitiveness from an economic, social and environmental policy perspective. The authors contend that despite the increasing importance of IA and intellectual capital (IC) in the economy, the current discussion has only been centered on intellectual property, which is one of the more prominent forms of intangibles. As this book demonstrates, IC and IA encompass wider dimensions of human, process, market, and renewal capital, among others. Featuring real case examples from Spotify, Minecraft and Izettle, this book offers a strategy for the resurrection of competitive advantage in the globalized economy and the advancement of some key United Nations Sustainable Development Goals (SDGs).

World Development Report 2020 World Bank 2019-11-19 Global value chains (GVCs) powered the surge of international trade after 1990 and now account for almost half of all trade. This shift enabled an unprecedented economic convergence: poor countries grew rapidly and began to catch up with richer countries. Since the 2008 global financial crisis, however, the growth of trade has been sluggish and the expansion of GVCs has stalled. Meanwhile, serious threats have emerged to the model of trade-led growth. New technologies could draw production closer to the consumer and reduce the demand for labor. And trade conflicts among large countries could lead to a retrenchment or a segmentation of GVCs. World Development Report 2020: Trading for Development in the Age of Global Value Chains examines whether there is still a path to development through GVCs and trade. It concludes that technological change is, at this stage, more a boon than a curse. GVCs can continue to boost growth, create better jobs, and reduce poverty provided that developing countries implement deeper reforms to promote GVC participation; industrial countries pursue open, predictable policies; and all countries revive

multilateral cooperation.

Factor Incomes in Global Value Chains Wen Chen 2018 Recent studies document a decline in the share of labour and a simultaneous increase in the share of residual ('factorless') income in national GDP. We argue the need for study of factor incomes in cross-border production to complement country studies. We define a GVC production function that tracks the value added in each stage of production in any country-industry. We define a new residual as the difference between the value of the final good and the payments to all tangibles (capital and labour) in any stage. We focus on GVCs of manufactured goods and find the residual to be large. We interpret it as income for intangibles that are (mostly) not covered in current national accounts statistics. We document decreasing labour and increasing capital income shares over the period 2000-14. This is mainly due to increasing income for intangible assets, in particular in GVCs of durable goods. We provide evidence that suggests that the 2000s should be seen as an exceptional period in the global economy during which multinational firms benefitted from reduced labour costs through offshoring, while capitalising on existing firm-specific intangibles, such as brand names, at little marginal cost.

Local Clusters in Global Value Chains Valentina De Marchi 2017-07-28 The international fragmentation of economic activities - from research and design to production and marketing - described through the lens of the global value chain (GVC) approach impacts the structure and performance of small and medium-sized enterprises (SMEs) agglomerated in economic clusters. The consolidation of GVCs ruled by global lead firms and the recession of 2008-09 exacerbated the pressures on cluster actors that based their competitive advantage on local systems, spurring an increasing heterogeneity, both across and within clusters, that is still overlooked in the literature. Drawing on detailed studies of different industries and countries, *Local Clusters in Global Value Chains* shows the co-evolutionary trajectories of clusters and GVCs, and the role of firms and their strategies in organizing manufacturing and innovation

activities in the context of ongoing technological shifts. The book explores the tension between place-based variables and global drivers of change, and the possibility for territories containing such clusters to prosper in the new global scenario. By adopting insights from the GVC framework and management studies, the book discusses how the internationalization strategies of firms create opportunities as well as constraints for adaptive upgrading in clusters. This book is of interest to both researchers and policy-makers who are interested in the dynamic sources of competitive advantage in the global economy.

Trade and Development Report 2018 UNCTAD 2019-01-16 This flagship publication examines different aspects of the nature and role of international trade in the era of hyperglobalization and considers related policy challenges that will need to be addressed if trade is to contribute to a more stable and inclusive global economic order. Research provides authoritative data and analysis on trade, investment, finance and technology. UNCTAD offers solutions to the major challenges facing developing countries, particularly the poorest and most vulnerable nations. Beyond tailored analysis and policy recommendations, UNCTAD research also generates global standards that govern responsible sovereign lending and borrowing, investment, entrepreneurship, competition and consumer protection and trade rules.

FDI, Global Value Chains, and Local Sourcing in Developing Countries Vito Amendolagine 2017-12-21 The local sourcing of intermediate products is one the main channels for foreign direct investment (FDI) spillovers. This paper investigates whether and how participation and positioning in the global value chains (GVCs) of host countries is associated to local sourcing by foreign investors. Matching two firm-level data sets of 19 Sub-Saharan African countries and Vietnam to country-sector level measures of GVC involvement, we find that more intense GVC participation and upstream specialization are associated to a higher share of inputs sourced locally by foreign investors. These effects are larger in countries with stronger rule of law and

better education.

Inclusive Global Value Chains Ana Paula Cusolito 2016-08-23 This report's focus is making global value chains (GVCs) more inclusive. To achieve inclusiveness is by overcoming participation constraints for Small and Medium Enterprises (SMEs) and facilitation access for Low Income Developing Countries (LIDCs). The underlying assumption is that most firms in LIDCs are SMEs. Even larger firms in LIDCs are likely to face similar challenges to SMEs, including a less supportive domestic operating environment and weaker institutions that lead to higher fixed costs and challenges to compete on the international markets. The two major points of this report are (1) participation in GVCs is heterogeneous and uneven, across and within countries, and (2) available data and survey-based evidence suggest that SMEs' participation in GVCs is mostly taking place through indirect contribution to exports, rather than through exporting directly. The report makes the case that policy action, at the national and multilateral level, can make a difference in achieving more inclusive GVCs through: a holistic approach to reform spanning trade, investment, and domestic policies countries and investments in expanding the statistical base and analysis of GVCs and in sharing knowledge on best practices on enabling policies and programs. The report elaborates on three broad areas of recommendations: (1) establishing a trade and investment action plan for inclusiveness defining clear and achievable objectives on trade and investment policy and identifying the necessary complementary domestic policy actions; (2) complementing trade, investment, and domestic policy actions by providing the needed political leadership and support to enhance collaboration across the sectors, and establishing global platforms for sharing best practices; and (3) providing political support for the establishment of a multi-year plan to expand and upgrade the statistical foundation necessary to increase the capacity of all countries to identify and implement policies that can contribute to stronger, more inclusive and sustainable growth and development, globally.

Reaping the Benefits from Global Value Chains

Mr. Kevin C. Cheng 2015-09-28 Against the backdrop of the rise of global value chains (GVCs), particularly in Asia, this paper documents key developments of GVCs and investigates what factors cause economies to reap greater benefits from GVC participation. Key findings include: first, moving toward a more upstream position in production and raising economic complexity are associated with the country increasing its share of GVC value added. Second, fostering GVC participation and expanding the share of the domestic value added in a value chain require efforts to reduce trade barriers, enhance infrastructure, foster human capital formation, support research and development, and improve institutions.

Complex Network-Based Global Value Chain Accounting System Lizhi Xing 2022-02-08

This book aims to theoretically and empirically enrich the GVC accounting framework with statistical physics and complex network theory from the perspective of econophysics, thus adding up to the existing theories. Besides, it also aims at capturing the essences of network models such as topological complexity, hierarchy, transmissibility, interaction, and causality and reflecting the objective interrelations among economies or between economies and economic systems on the GVC, so as to reveal the inherent evolution of the cross-regional and even global economic systems.

Making Global Value Chains Work for Development Daria Taglioni 2016-06-10

Economic, technological, and political shifts as well as changing business strategies have driven firms to unbundle production processes and disperse them across countries. Thanks to these changes, developing countries can now increase their participation in global value chains (GVCs) and thus become more competitive in agriculture, manufacturing and services. This is a paradigm shift from the 20th century when countries had to build the entire supply chain domestically to become competitive internationally. For policymakers, the focus is on boosting domestic value added and improving access to resources and technology while advancing development goals. However, participating in global value chains does not automatically improve living

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standards and social conditions in a country. This requires not only improving the quality and quantity of production factors and redressing market failures, but also engineering equitable distributions of opportunities and outcomes - including employment, wages, work conditions, economic rights, gender equality, economic security, and protecting the environment. The internationalization of production processes helps with very few of these development challenges. Following this perspective, Making Global Value Chains Work for Development offers a strategic

framework, analytical tools, and policy options to address this challenge. The book conceptualizes GVCs and makes it easier for policymakers and practitioners to discuss them and their implications for development. It shows why GVCs require fresh thinking; it serves as a repository of analytical tools; and it proposes a strategic framework to guide policymakers in identifying the key objectives of GVC participation and in selecting suitable economic strategies to achieve them.