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Session 4 : Globalisation, statistics and National Accounts

New global industrial economy, international trade and value added: statistical and accounting implications

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The integration of international markets since the Second World War has been complemented recently by an increasing vertical integration of production processes, resulting from the joint effect of globalisation, of the progress in communication technologies and of the new modes of industrial management. Analysts have been caught off guard by the rapidity of the process: the traditional vision of trade between nations based on exchanging goods and services is now complemented by a “new” theory which aims at explaining the flow of international specialisation based on the exchange of tasks. Specialisation no longer is based on a global analysis of comparative advantages in terms of finished products, but on these same advantages linked to a precise part of the production process. Some authors estimate that 60% of the international trade of manufactured products are in fact intra-establishment trade or intra-corporation trade. In this context, the traditional instruments of economic analysis, such as trade balances, loose their relevance.

The paper shows how the international statistical system has responded to the obvious risk of obsolescence by launching a series of joint initiatives in order to adapt all the instruments of the statistician's “tool-box”: classifications, balance of payments and national accounts manuals. The paper shows the chain of implications, starting from the statistical recording of the flow of goods (in particular in the context of the review of the SNA) up to the experiences of alternative measures of international trade in terms of value added. The strength with which the concept of value added has imposed itself as the yardstick for the measure of international trade has very fruitful analytical implications in the context of national accounts.