Measuring global production

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Measuring global production

– Problems:

- With the concept of ownership of goods and services (what does it mean?)

- How to measure?

- Ask more questions -> not always realistic!
- Sources are inconsistent

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Inconsistent sources:

- - Based on change in ownership:
    - STS
    - SBS
    - ITSS
- - Based on territory:
    - Prodcom
    - ITGS

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Example: Inward processor

– SBS shows: Production of services, limited use of raw materials
– ITSS shows: Export of services

– Prodcom: Production of goods
– ITGS: Imports of raw materials, export of finished goods

→ Idea: use these inconsistencies.

Inconsistencies in sources

Example: Inward processor:

– Exports ITGS > Exports SBS

– Imports ITGS > Imports SBS

– Turnover Prodcom > Turnover SBS

– Exports manufact. services SBS = Turnover SBS

– Turnover Prodcom – Exports ITGS ≈ Domestic use

Inconsistencies in sources

Case 1 (company A) is an inward processor, but:

- Part of the processed goods are bought and sold by company A (wholesale trade)

- The principal provides all raw materials, but part of it is bought in the Netherlands

Inconsistencies in sources

Inward processor company A (case 1):

- Exports ITGS > Exports SBS ✅

- Imports ITGS > Imports SBS ✅

- Turnover Prodcom > Turnover SBS ✅ ❌

- Exports manufact. services SBS = Turnover SBS ❌

- Turnover Prodcom – Exports ITGS ≈ Domestic use ❌

Some findings

– Inconsistencies can help in detecting global production arrangements, but you need to look at survey results of individual enterprises.

– Finding the correct values by using the inconsistencies is difficult -> company visits are necessary

– Time consuming

Future work

- Setting up a database
- Finding out characteristics of enterprises involved.
- Investigate whether small enterprises fit better in these schemes
- Set up a system to correct the survey result, using the data inconsistencies

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