



International Collaborative Initiative on Trade and Employment (ICITE)

International trade and investment are essential contributors to growth, development and economic well-being. New OECD research indicates that further trade opening – via reduction of tariffs and non-tariff barriers – can stimulate job creation for both skilled and unskilled workers, bringing worldwide economic benefits.

A sustainable approach to such market opening requires policies that help workers and communities adjust to the more competitive environment that will result. Assessment of specific policy options is challenging due to the complex relationship between trade and employment. In some cases, gaps remain in the literature. Even where the relationship is clear, perspectives on appropriate policy responses may vary.

The International Collaborative Initiative on Trade and Employment (ICITE) aims to help expand the knowledge base on these issues, including consideration of policy implications. In addition to a new wave of empirical analysis, the initiative will create an inventory of data resources, promote dialogue among stakeholders, and provide information resources for policy-makers and the public.

At the 2011 OECD Ministerial Council Meeting, ministers lent their support to ICITE as “a timely effort to tackle policy concerns” and looked forward to its findings.

Project details

Launched and co-ordinated by the OECD, ICITE is a joint undertaking of 10 international organisations.* The objectives of this two-year project are to: i) seek a better understanding of how trade interacts with employment, ii) promote dialogue on these issues, and iii) develop policy-relevant conclusions. An inter-organisation steering group is guiding the implementation of the project.

ICITE will produce results through three main strands of communication:

- Research - preparation of more than 15 thematic research papers and 15 country studies
- Dialogue - 3 regional conferences (covering Africa, Asia and Latin America), plus an OECD Global Forum event
- Publications - working papers, policy briefs and a book

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* Participating organisations include: ADB, AfDB, ECLAC, IADB, ILO, OAS, OECD, UNCTAD, World Bank & WTO.

OECD WORK ON TRADE – HIGHLIGHTS



The Impact of Trade Liberalisation on Jobs and Growth

Further trade liberalisation by G20 countries would boost growth, employment and real wages for all countries, according to this report. Using a computable general equilibrium model of the world economy, it takes a fresh approach to estimating the economic effects of trade liberalisation.

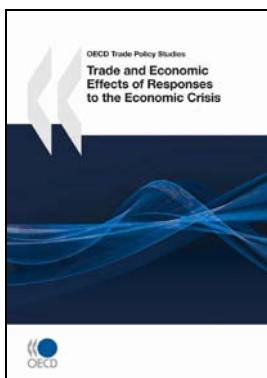
The report also examines the effect of reducing barriers to foreign direct investment (FDI) in services.

(Published as OECD Trade Policy Working Paper no. 107)



Seizing the Benefits of Trade for Employment and Growth

This joint report by the OECD, the International Labour Organization, the World Bank and the World Trade Organization finds that more open trade for goods and services can provide a stimulus for the world economy, at a time when many of the temporary stimulus measures taken by many governments during the crisis are being unwound. The report was presented to leaders at the G20 Summit in Seoul in November 2010.



Trade and Economic Effects of Responses to the Economic Crisis

Global trade fell by 12.5% in 2009. Although protectionism was not a major factor in this fall in trade, governments have faced pressure to implement protectionist policies and measures as a way of 'saving' domestic jobs and enterprises in the face of the economic crisis.

This study argues that open markets will be necessary for a sustained economic recovery. It recommends that governments continue to resist protectionist pressures and work towards a level playing field for trade.