







## **CALL FOR PAPERS**

## San José, Costa Rica, 18 April 2018

## REGIONAL TRADE INTEGRATION AND PRODUCTIVITY

Slow and diverging productivity growth is a matter of concern in most Latin America and the Caribbean countries. Governments are therefore working on policy reforms, including measures to deepen regional integration, which plays an important role in productivity growth. The <u>conference</u> held in Santiago de Chile in December 2016 was an opportunity to discuss the impact of barriers to entrepreneurship, competition, GVC integration, skills and informality on productivity growth. The upcoming conference in San José, Costa Rica will gather researchers and policymakers to continue this dialogue, but this time with a focus on how regional integration relates to productivity growth. The conference is organised by the Ministry of Foreign Trade of Costa Rica, the OECD, and the World Bank Group.

The organisers invite all researchers interested in presenting their work at this conference to send an abstract of their papers to Ricardo Monge (<a href="mailto:rmonge@caatec.org">rmonge@caatec.org</a>) before **15 February 2018**, with a view to be considered in the selection process. Those selected will be required to submit their draft papers no later than **15 March 2018**. The topics for discussion during the conference are the following:

Regulation, distortions, and misallocation – Empirical work on productivity using firm-level data has revealed the extent of misallocation of resources caused by distortions such as poor regulation or lack of competition. As a result, large potentials to increase productivity in selected categories of firms are not realised. This session will include papers investigating misallocation from firm-level data, as well perceptions of entrepreneurs regarding the impediments caused by poorly-designed regulation.

Trade facilitation and integration in Global Value Chains (GVCs) — Although border crossing is generally not an impediment in most advanced countries, the benefits from international trade and integration in GVCs are reduced by the lack of adequate facilities in emerging and developing countries. This session will include empirical papers attempting to quantify the impact of trade facilitation on productivity and experience from countries to improve border crossing. Also of interest are those empirical investigations on how integration to CGV affects productivity growth.

Spillovers from FDI and productivity – Attracting foreign direct investment has long been seen as a channel to improve insertion in international trade, upgrade technologies, and join global supply chains. A new wave of papers using firm-level data are shedding light on the benefits from FDI through spillovers, including in services firm indirectly integrated in GVCs. This session will include papers analysing spillovers using firm-level as well concrete experience from practitioners. Firm-level analysis of knowledge and technology spillovers through specific channels such as backward or forward linkages and labour mobility from foreign firms (FDI) to domestic firms will be of particular interest.

Firm Capabilities, Management and Productivity – Economists have long been suggesting that management is a key driver of productivity differences across companies (Walker 1887). This view was strengthened by various studies since the 1990s that emphasized the importance of managerial capabilities for innovation and productivity (Teece and Pisano 1994; Hobday 2000; Sutton 2012). More recently with the availability of information on management and firm performance across a large set of countries thanks to the World Management Survey introduced by Bloom and Van Reenen (2007), the implications of management as an essential part of the firm capabilities and its impact on productivity have become more clear. Furthermore, there is increasing evidence that management competence is associated with successful integration into global markets (Manova 2016). This session will focus on papers using novel micro-level management data to assess how management explains differences in productivity between firms as well as across countries, and how these differences can affect integration into global markets.

