

Wiener Institut für Internationale Wirtschaftsvergleiche The Vienna Institute for International Economic Studies

List of Projects

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wiiw is part of a consortium which is setting up a "Centre of Excellence on International Trade". It provides the appropriate infrastructure and assistance for a research community in international trade. Thus it can achieve a sustainable coordination among different research projects, research institutes and other activities in the broad field of economics of international trade (FIW German abbreviation). This project will also create a network of experts and asure the integration of international projects. The Centre of Excellence fulfils the following tasks: (1) to develop a research programme which assists external political decisions and activities concerning the European Union and other multinational organisations in a sustainable fashion, (2) to provides access to relevant databases in an easy and transparent way, and (3) to encourage and enhance the development of know-how with regard to foreign economic affairs in Austria. This Centre of Excellence will be an important source of information for the research community in Austria, the Austrian government with regard to foreign affairs as well as the social partnership. It collects and increases the knowledge of the given research institutes and provides it to the public in a user-friendly manner. http://www.fiw.ac.at/

New Insights into the Relationship Between Taxation and Trade

Anniversary Fund of the Oesterreichische Nationalbank May 2020 - September 2021

This project dealed with two questions from the fields of taxation and international trade. The first one revisited the relationship between labour taxation and international trade, focusing on the role of domestic labour value added. The second one refered to the relationship between corporate taxes and international trade, focusing on the role of the multinational enterprises. The project also assessed whether the decline in labour and corporate taxes from the past decades had contributed to the expansion of international trade. The research project used industry level data, for EU and OECD countries, and Two Stage Least Squares estimator, to account for potential endogeneity. The project contributed to the recent policy discussion on fiscal devaluation, and the ongoing policy debate on the global minimum corporate income tax.

Funded by the Anniversary Fund of the Oesterreichische Nationalbank (Project No. 18310).

Framework contract: Evaluations and impact assessments of EU macro-financial assistance and balance of payment support operations

European Commission, DG Economic and Financial Affairs January 2016 - December 2019

European Commission, DG Economic and Financial Affairs established a multiple framework service contracts that allows it to obtain evaluation services and impact assessments of its own activities. Under this Framework Contract, the consortium partners assess the relevance, effectiveness, efficiency, utility, sustainability, coherence, European Union Added Value, and governance of the macro-financial assistance and balance of payment support operations granted by the EU and the IMF to third countries. wiiw is part of a consortium under the leadership of Ecorys.

Investigating the Impact of the Innovation Union (I3U)

European Commission, Horizon 2020 March 2015 - February 2018

Innovation has been placed at the heart of the Europe 2020 strategy aimed at coping with major structural changes, the increase of global competition and the current crisis, and at tackling major societal challenges such as climate change, energy and resource scarcity, health and ageing. The Innovation Union has the main objective to strengthen the European innovative potential; it sets 13 general objectives and 34 specific (policy) commitments associated with the objectives, aimed at stimulating innovation. The objective of this project is to deliver a system of assessment for the commitments. The approach starts from the evaluation of the state of achievement of the individual commitments, but puts crucial emphasis on their effects on the innovation system as a whole, as well as on the economy-wide effects of innovation. The basic idea is to retrace the entire chain of effects of the commitments, from their implementation to their final impact in terms of competitiveness, growth and employment. wiiw is responsible for the evaluation of seven IU committments having been agreed in the areas of EU patents, ecoinnovation, social and territorial cohesion, social innovation, innovation partnerships and international talents. http://www.i3u-innovationunion.eu

Support of European Structural and Investment Funds (ESI Funds) to the implementation of the Country Specific Recommendations and to structural reforms in Member States (*wiiw Team Leader*)

European Commission, DG Employment, Social Affairs and Inclusion December 2015 - February 2017

The study aims to produce evidence which can be used to support the implementation of the current programmes as well as the preparation of post-2020 ESIF programming. The study will focus on the relationships between structural reforms, linked to Country Specific Recommendations (CSRs) proposed as part of the European Semester, and the strategic design and implementation of the ESI Funds. The role of the ESI Funds in promoting and supporting the reforms will be examined in depth, with particular attention on the impact of two of the novelties introduced in 2014-2020: the ex-ante conditionalities and thematic objective 11 on Enhancing Institutional Capacity of Public Authorities and Efficient Public Administration.

Neighbourhood cooperation for a sustainable trade and investment policy

Federal Ministry of Science, Research and Economy October 2015 - January 2016

This study focuses on the potential for cooperative activities of trade and foreign direct investment (FDI) policies with Austria and its neighbouring countries to further promote competitiveness of all countries and firms involved on the world markets, with a particular focus on oversea destinations. First, a detailed analysis of actual trends and patterns of trade and FDI at the global level and with a focus on the neighbouring countries is provided. Particularly, the study presents evidence on commonalities and differences of these countries in geographical patterns of trade and foreign direct investment both in Europe and more distant markets like Asia, Africa and America. Second, based on these findings a rationale for potential cooperative activities at the institutional level and the trade-off between benefits of cooperation on the one hand and the issue of competition amongst involved parties on the other hand are discussed. The study finally outlines some suggestions for concrete cooperative activities that were developed on the basis of discussions with practitioners. An appendix lists institutions involved in export promotion in the neighbouring countries and outlines existing activities in Austria that might serve as a starting point for developing cooperative activities, which in the future might be integrated into a policy framework promoting a competitive position in world markets for all partners.

Growth-Innovation-Competitiveness: fostering cohesion in Central and East Europe (GRINCOH)

European Commission, 7th Framework Programme April 2012 - March 2015

GRINCOH was an FP7 research project with the main objectives: (1) to establish development scenarios for the CEECs for the period up to 2020; (2) to identify the implications for sustainable growth – based on innovation and the development of technological capabilities – and greater economic, social and territorial cohesion in the CEECs; and (3) to advise on future policy options for the CEECs, and in particular for EU cohesion policy. wiiw led a work package on economic development patterns and structural change in the process of transition and EU membership. Furthermore, wiiw contributed research on labour market development, migration, inequality, trade integration, foreign direct investment, EU budget as well as regional aspects. http://www.grincoh.eu

Support to the Development of the South East Europe 2020 Strategy

Regional Cooperation Council (RCC) June 2013 - September 2013

The Regional Cooperation Council (RCC) Secretariat was requested by the countries of the Southeast Europe Cooperation Process (SEECP) as well as the European Commission (EC) to advance the preparation of a regional development and growth strategy - SEE 2020. In course of this process, eleven specific targets have been identified that span convergence with EU, trade, investment, employment, education and governance. All in all, the SEE 2020 encompasses 14 policy dimensions. In the framework of this consultancy assignment, wiiw coordinated a group of experts who compiled and synthesized the various inputs from regional initiatives, platforms and other relevant stakeholders into the Strategy document. Last but not least, wiiw experts ensured the internal consistency of the proposed targets and measures and provided contextual analysis and advise. In November 2013, the SEE 2020 strategy was finally approved by the Ministerial Conference of the South East Europe Investment Committee.

The extent and impact of offshoring in the European Union (wiiw Team Leader)

Anniversary Fund of the Oesterreichische Nationalbank July 2011 - June 2013

In this project, the impact of both offshoring of production and of services on the structure and the macro-economy of EU countries is examined, using data over the period 1995-2010. In particular, the impact of production and services offshoring on both the level and structure of wages and employment in EU countries is examined. One issue addressed is whether the impact of production offshoring – which is expected to impact negatively upon low-skilled workers – has been offset by the increase in service offshoring, which mainly involves the offshoring of tasks undertaken by skilled labour. Furthermore, the impact of production and service offshoring on the macro-economy as well as on business cycle volatility and co-movement is examined.

Ex-post evaluation of balance of payments support operations to Hungary (wiiw Team Leader)

European Commission, DG Economic and Financial Affairs September 2011 - December 2012

This evaluation focused on assessing ex post the contribution of the EU financial assistance to Hungary made available in Nov. 2008. The exercise covered three main areas of analysis: (i) Economic impact of the BoP assistance on the Hungarian economy with and without IMF involvement. (ii) Value added of the EU intervention provided through the operation and (iii) Sustainability of the country's external position as a result of the assistance. The project was undertaken within the "Multiple Framework Service Contract for the provision of evaluation and evaluation related services to DG ECFIN", coordinated by Ecorys. A wiiw Senior Expert was part of the research team.

Study in the context of Croatia's EU accession

Federal Chancellery of the Republic of Austria December 2011 - July 2012

The study provides background information for the Austrian Chancellery in the context of Croatia's accession to the EU. It describes the economic development of Croatia in a comparative perspective, analyses Austria's relations with Croatia and discusses potential future developments as a result of EU membership.

Analysis of the main factors of regional growth: an in-depth study of the best and worst performing European regions

European Commission, DG Regional Policy January 2008 - June 2012

The aim of the study was to deepen our understanding of economic development in the regions of the EU27. Special emphasis was given on the one hand to NUTS2 regions that performed relatively well (i.e. well above EU average or as compared to their national average) and, on the other hand, to NUTS2 regions that performed relatively poorly (i.e. well below EU average or as compared to their national average). Underlying factors of the different performance had to be identified and analysed. Broad policy conclusions have been drawn, wiiw was partner in a consortium with Applica and Cambridge Econometrics.

The European neighbourhood - challenges and opportunities for EU competitiveness (Competitiveness Report 2012)

European Commission, DG Enterprise and Industry November 2011 - May 2012

This study serves as a background report for the yearly Competitiveness Report of the EC. In order to assess the differences between neighbouring countries with respect to their importance for EU competitiveness, the study first maps the economic situation and competitiveness of each of the Eastern and Southern ENP partner countries, non-candidate EFTA countries, potential candidate countries as well as Russia. The study describes and analysed the economic importance of institutional arrangements and instruments for cooperation between the EU and the above countries. It also explores the economic and trade impact of bilateral agreements and related trade and investment flows including energy, raw materials and other resources between EU Member States. The final part of the study contains a discussion of the challenges and opportunities for EU competitiveness resulting from its different economic relations, institutional arrangements and instruments with its immediate neighbours, as well as the bilateral relations between EU member states and neighbouring countries. The prospects for EU SMEs to expand their activities into neighbouring countries are discussed and conclusions drawn on the basis thereof. The study concludes with policy recommendations stemming from the discussion of challenges and opportunities. wiiw coordinated the study.

 $http://ec.europa.eu/enterprise/policies/industrial-competitiveness/competitiveness-analysis/european-competitiveness-s-report/index_en.htm$

Country risk analysis

Erste Group Bank AG November 2011 - April 2012

Country studies are performend for Austria, Croatia, the Czech Republic, Hungary, Romania, Russia, Serbia, Slovakia and Ukraine, analysing the political and institutional, economic and social situation on a qualitative and quantitative basis.

Workshop: MENA transition and international responses

Austrian Ministry of Finance August 2011 - December 2011

In December 2011, wiiw organised a workshop with high-level experts to discuss the current economic, political and social situation in MENA countries, the challenges they face and the challenges posed for the EU neighbourhood policy. The workshop took as a vantage point the experiences from Central and Eastern European countries and the lessons the transformation of these countries may hold for future developments of the MENA region. wiiw produced a background paper for this workshop.

The revival of NMS mutual trade after their EU accession: in search of the reasons behind

Anniversary Fund of the Oesterreichische Nationalbank August 2009 - March 2011

Since their EU accession, mutual trade of the Central European new members has been expanding more dynamically than before 2004 and much faster than these countries' trade with the 'old' EU members. The project's target was to identify the reasons behind this phenomenon. First, changes in the structural features of these countries' mutual trade before and after the 2004 EU enlargement were analysed; revealed comparative advantage, marginal intra-industry trade and intensive and extensive margins of trade indicators were calculated and interpreted. Second, the significance of foreign-owned enterprises' presence in various industries and bilateral trade relations was investigated. Third, trade and FDI in services were scrutinised. Fourth, the potential of mutual trade was addressed with the help of a gravity model. Policy lessons for EU candidate countries and possible effects on Austria were discussed.

Study tour for experts of the Department of Economic Planning in BiH

Coffey International Limited July 2010 - March 2011

Design and organisation of a one-week seminar for Bosnian experts, financed by DFID. The seminar dealt with issues of Austrian and European economic policy, focusing on macroeconomic developments, EU integration, regional policy, coordination of national and regional entities, policy processes and administrative reform.

Ex-post evaluation of cohesion policy programmes 2000-2006; Work Package 1: Coordination, analysis

and synthesis

European Commission, DG Regional Policy November 2007 - December 2009

This Work Package aims to assess the macroeconomic background for cohesion policy in the period 2000-2006 and the quality of strategies, to assemble other information facilitating the implementation of later work packages and synthesise the results of all 11 other work packages. In addition, the project consortium will support the Commission in certain management tasks of the overall evaluation.