

Special Session Proposal

Dependency of regions in a fast-changing world: New contributions from regional IO modelling

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Abstract

Regional economic growth is affected through global value chains by events in other parts of the world and a reshaping of international trade and production patterns (*World Investment Report 2020*). Key drivers of these events and the reshaping of the world economic order are unpredictable events (pandemics, wars), sustainability trends (sustainability policies and regulations; market-driven changes in products and processes; physical supply chain impacts), and governance trends (interventionism in national policies; protectionism; and increased regionalization via economic cooperation). The economic consequences of these changes on regional development are important questions that are central in this special session.

Potential research topics are: How to determine the trade related dependency of regions to worldwide events? How do changes in these trade patterns affect this dependency through global value chains? How is a regions' competitiveness affected by changes in fossil energy prices and does its dependency to such price shocks change when the region is decarbonizing? How is firm performance related to regional interdependency? New theoretical and empirical contributions in regional input-output (IO) analyses take a central stage since global value chains are crucial in answering these questions.