

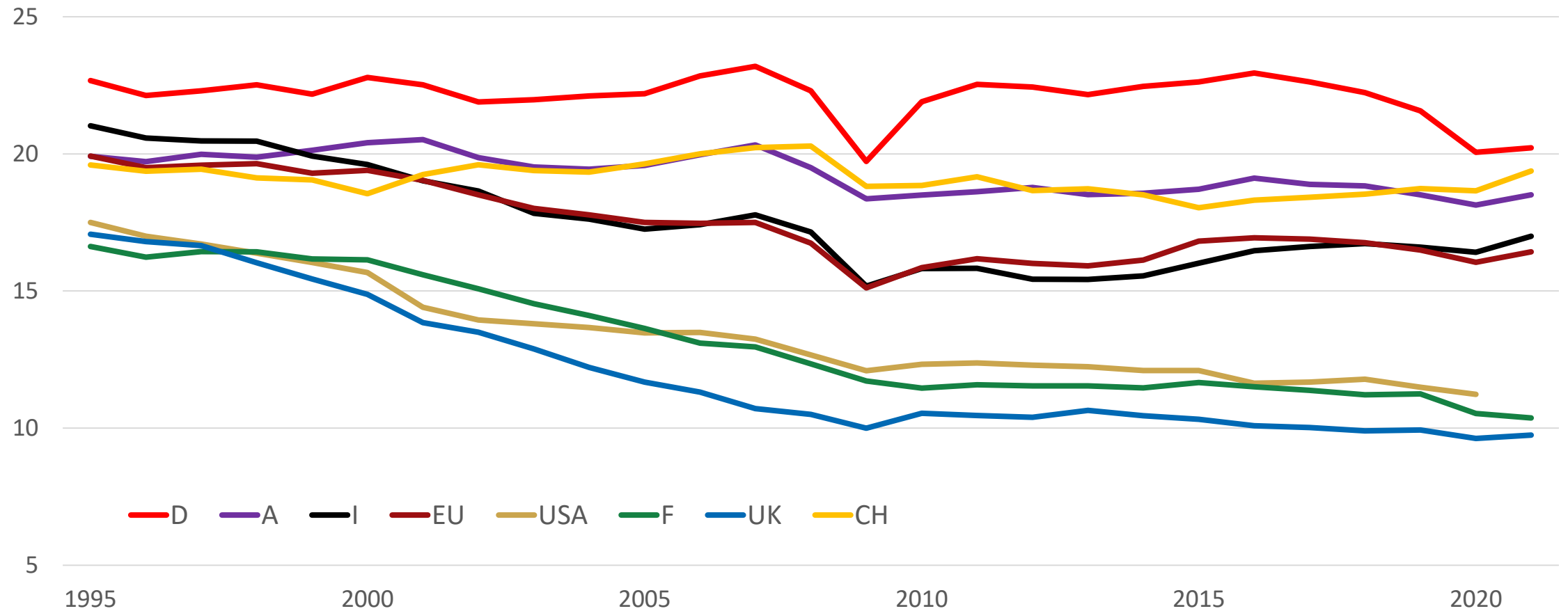


# Global Value Chains – Challenges and Prospects from a German Perspective



# Manufacturing shares in an international comparison

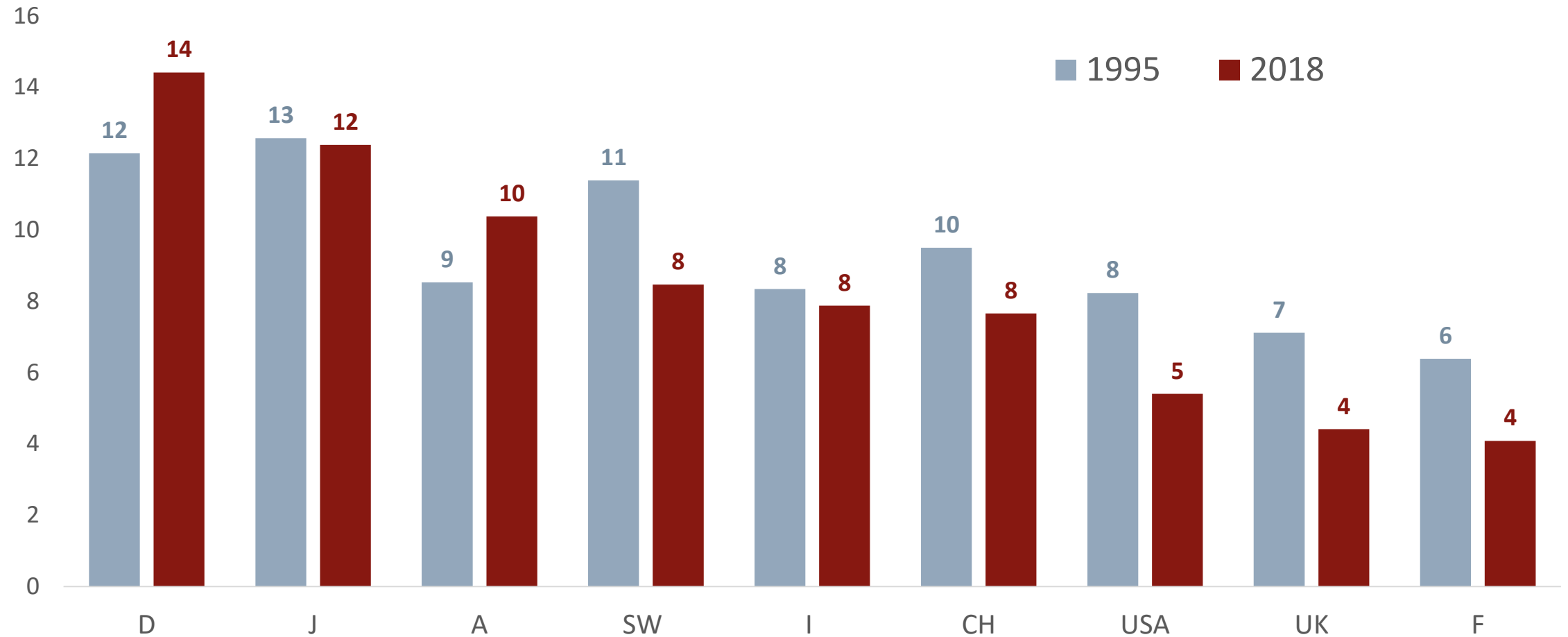
Manufacturing value added as a percentage of total economy



Sources: OECD; Institut der deutschen Wirtschaft

# Production of investment goods in an international comparison

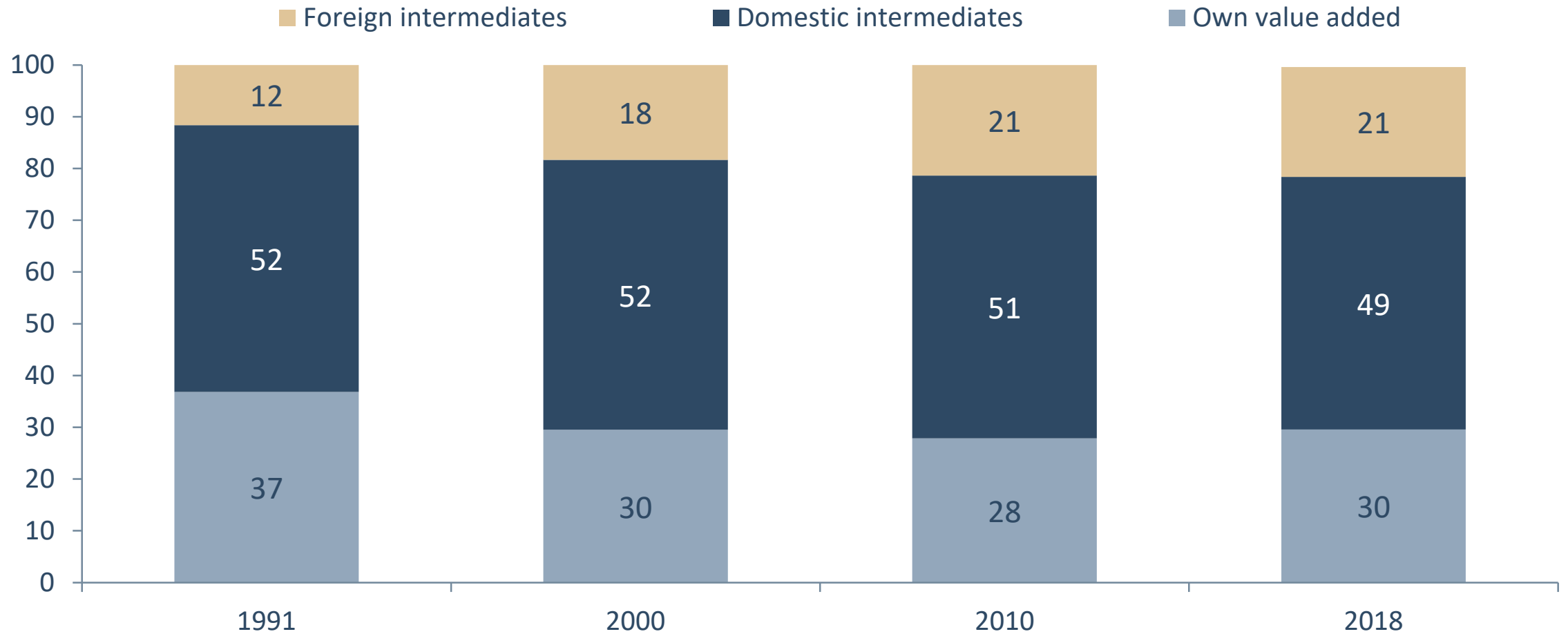
Production of investment goods as a percentage of total economy



Investment goods: Basic metals, metal products, machinery and equipment, transport equipment. Sources: Statistisches Bundesamt; OECD; Institut der deutschen Wirtschaft

# Structure of manufacturing production in Germany

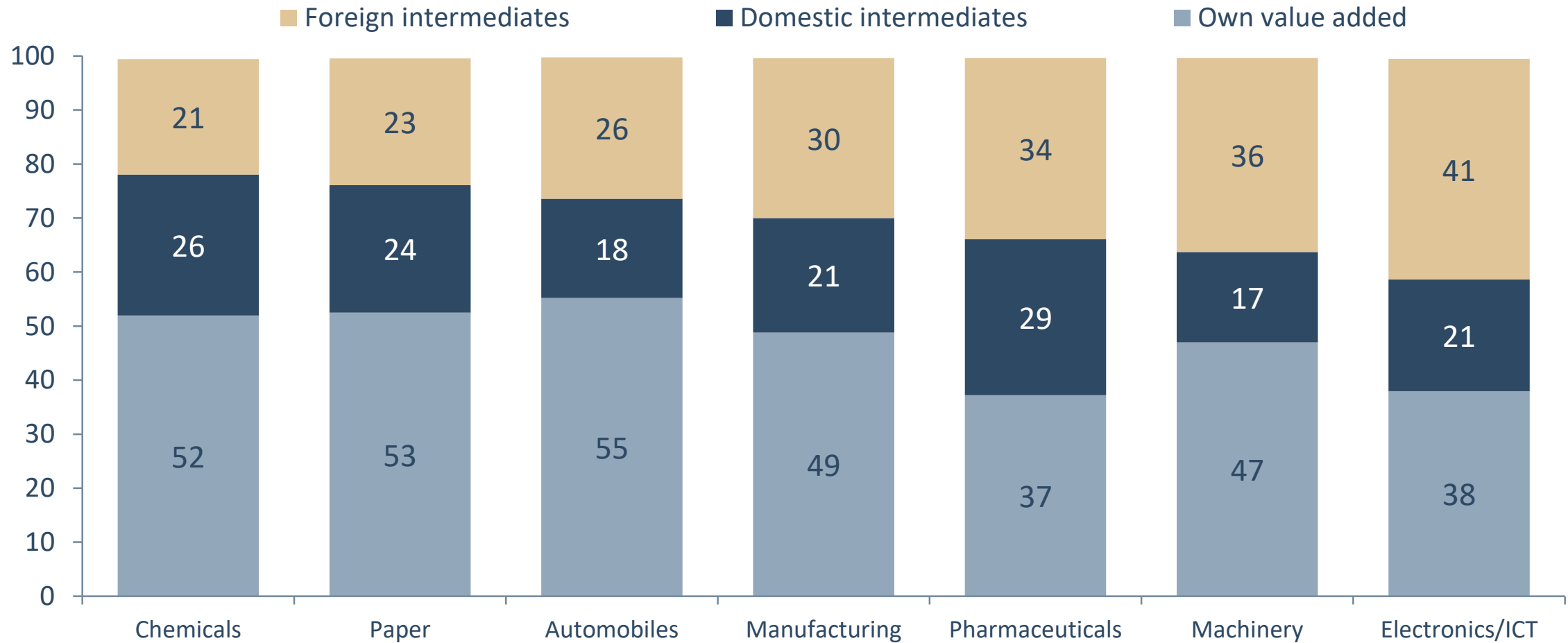
Share of domestic and foreign intermediates and of own value added as a percentage of production



Sources: Statistisches Bundesamt; eigene Berechnungen

# Production structure of German manufacturing branches

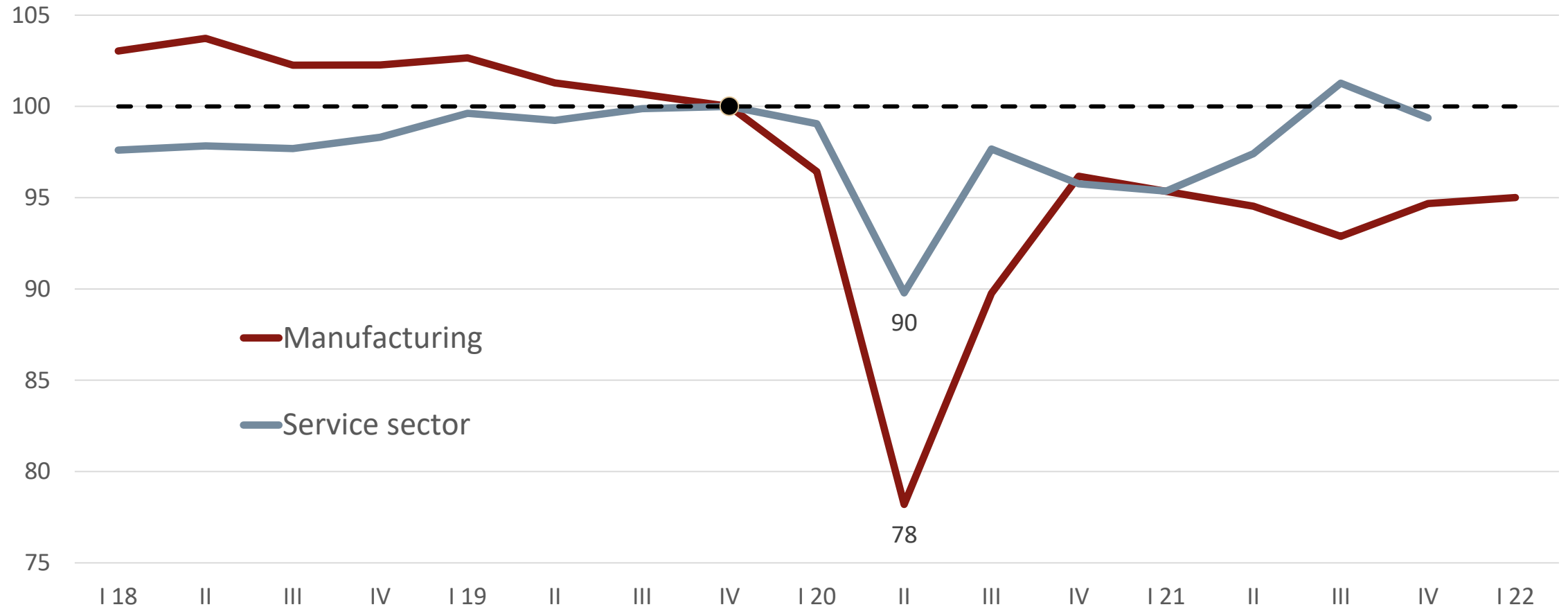
Share of domestic and foreign intermediates and of own value added as a percentage of production 2018



Sources: Statistisches Bundesamt; eigene Berechnungen

# Corona Pandemic as a manufacturing and service shock

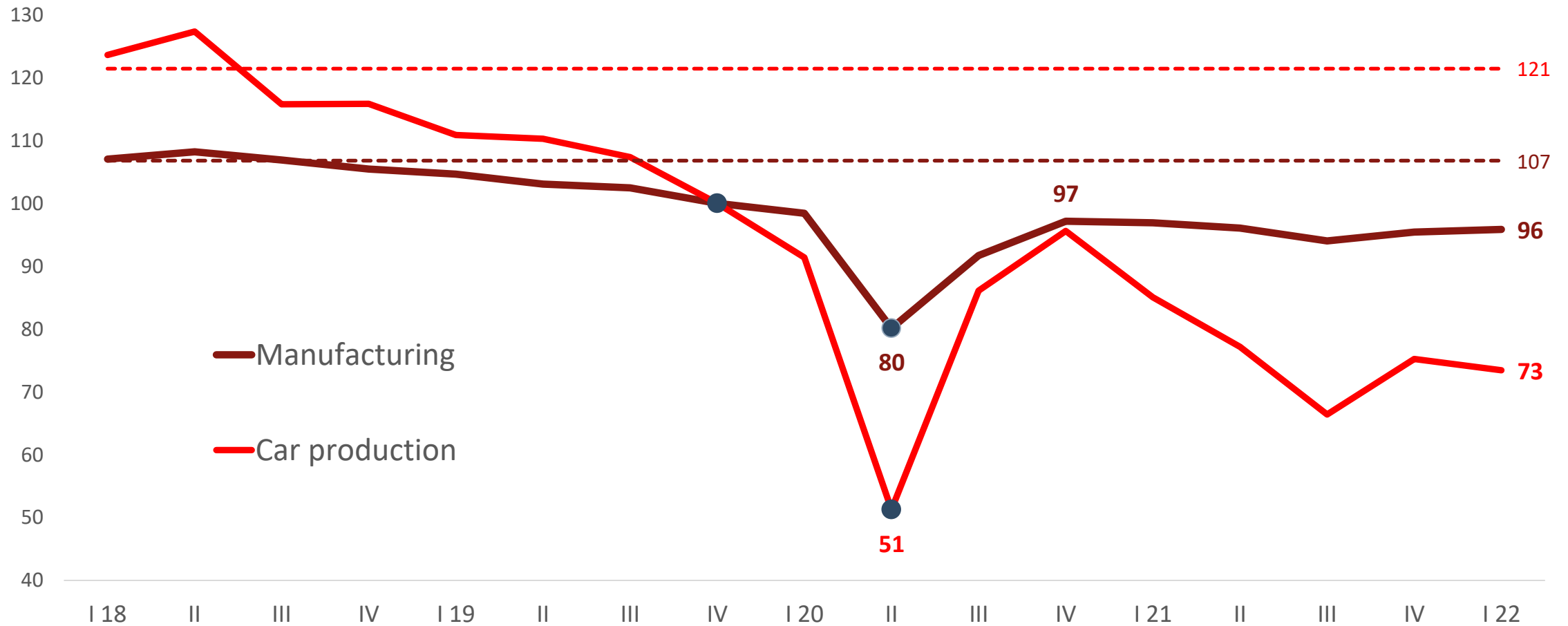
Price and seasonal adjusted gross value added; index 4. quarter 2019 = 100



Sources: Statistisches Bundesamt; Institut der deutschen Wirtschaft

# Manufacturing and car production in Germany

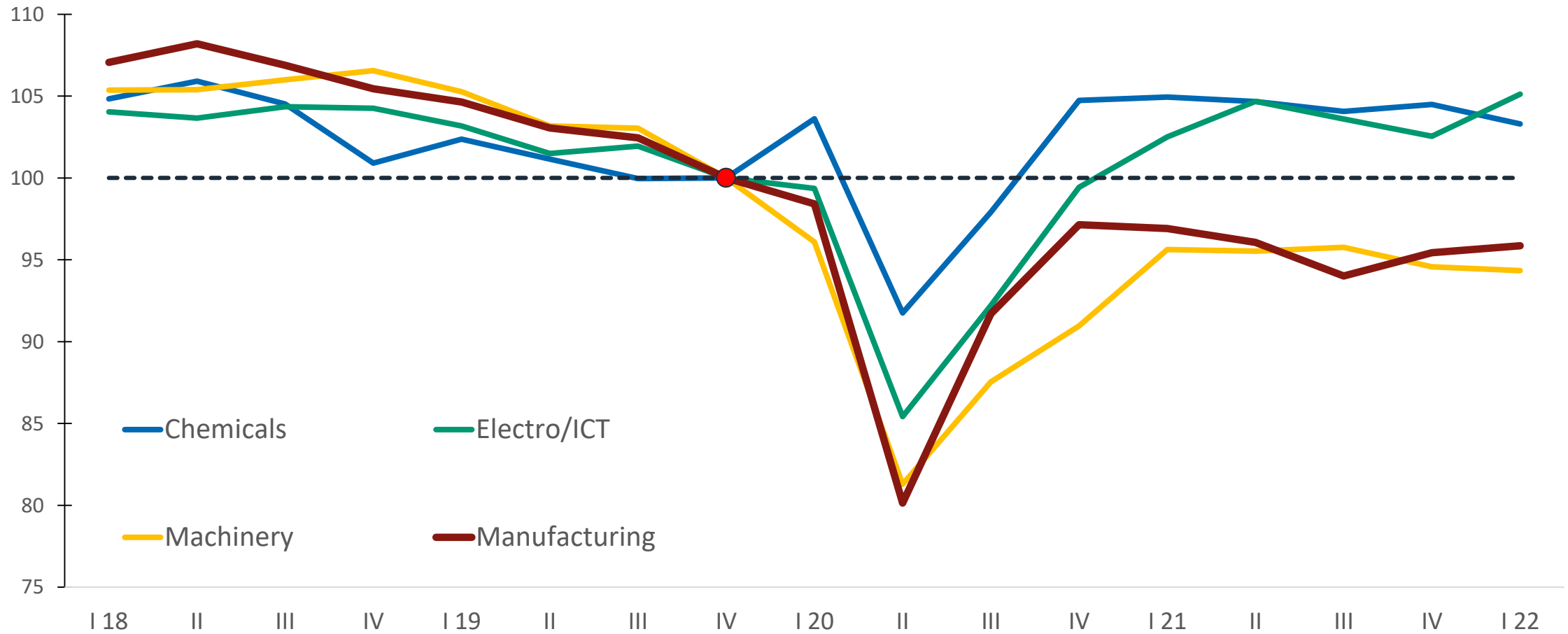
Seasonal adjusted production, index 4. quarter 2019 = 100 and annual average 2018



Sources: Deutsche Bundesbank; Institut der deutschen Wirtschaft

# Stagnation in other German manufacturing branches

Seasonal adjusted production, index 4. quarter 2019 = 100

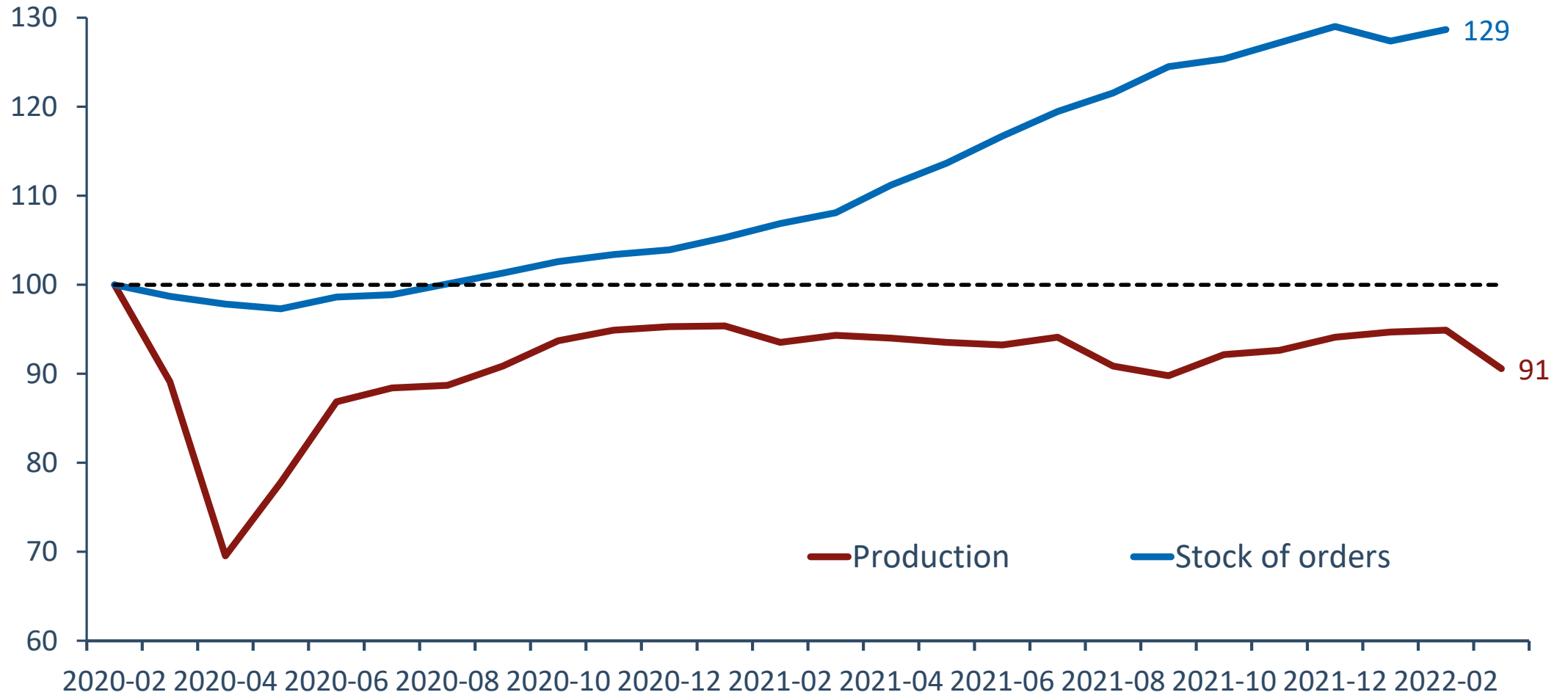


Quellen: Deutsche Bundesbank; Institut der deutschen Wirtschaft



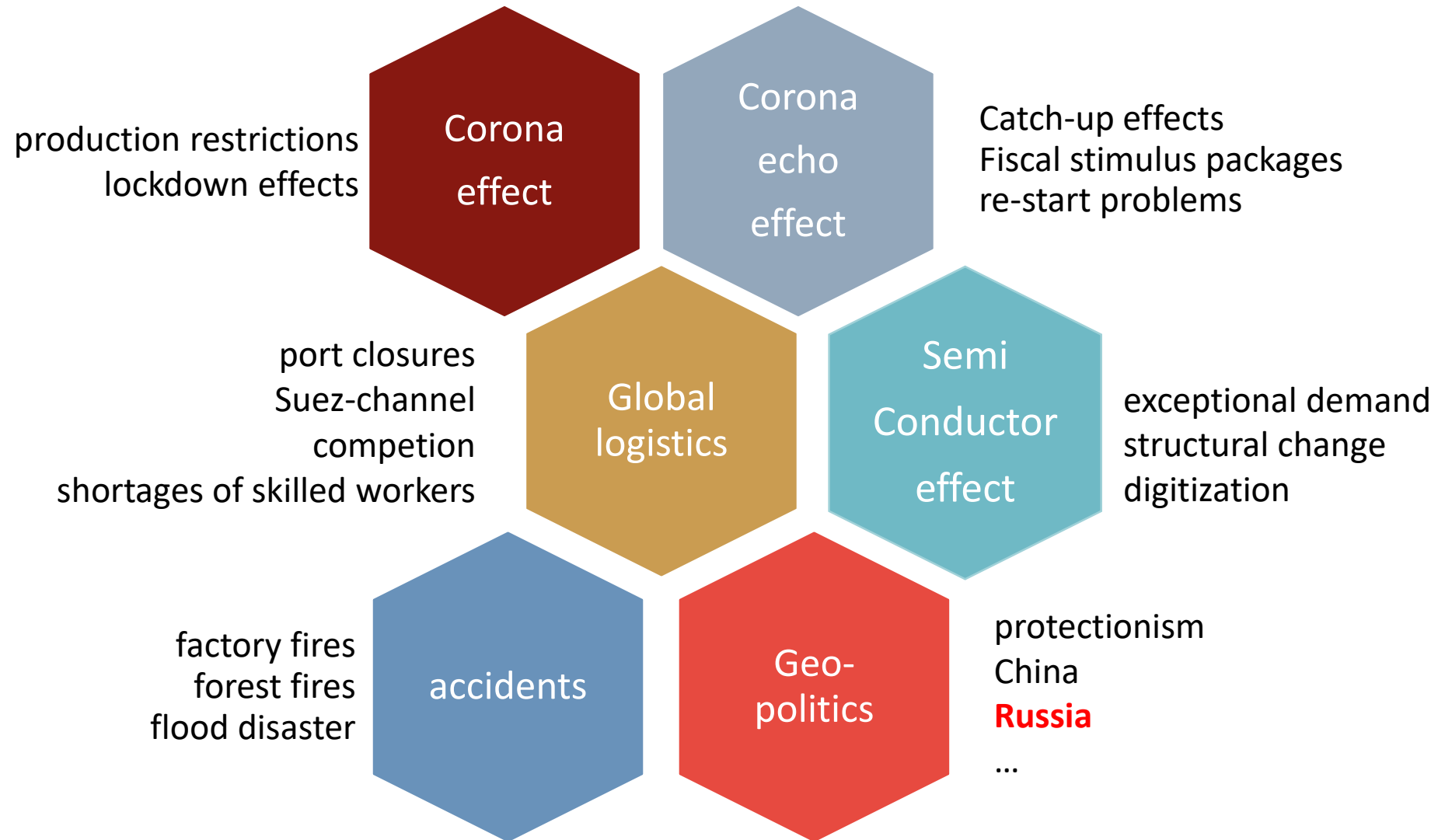
# Decoupling of production from demand in manufacturing

Price and seasonal adjusted values, index: February 2020 = 100



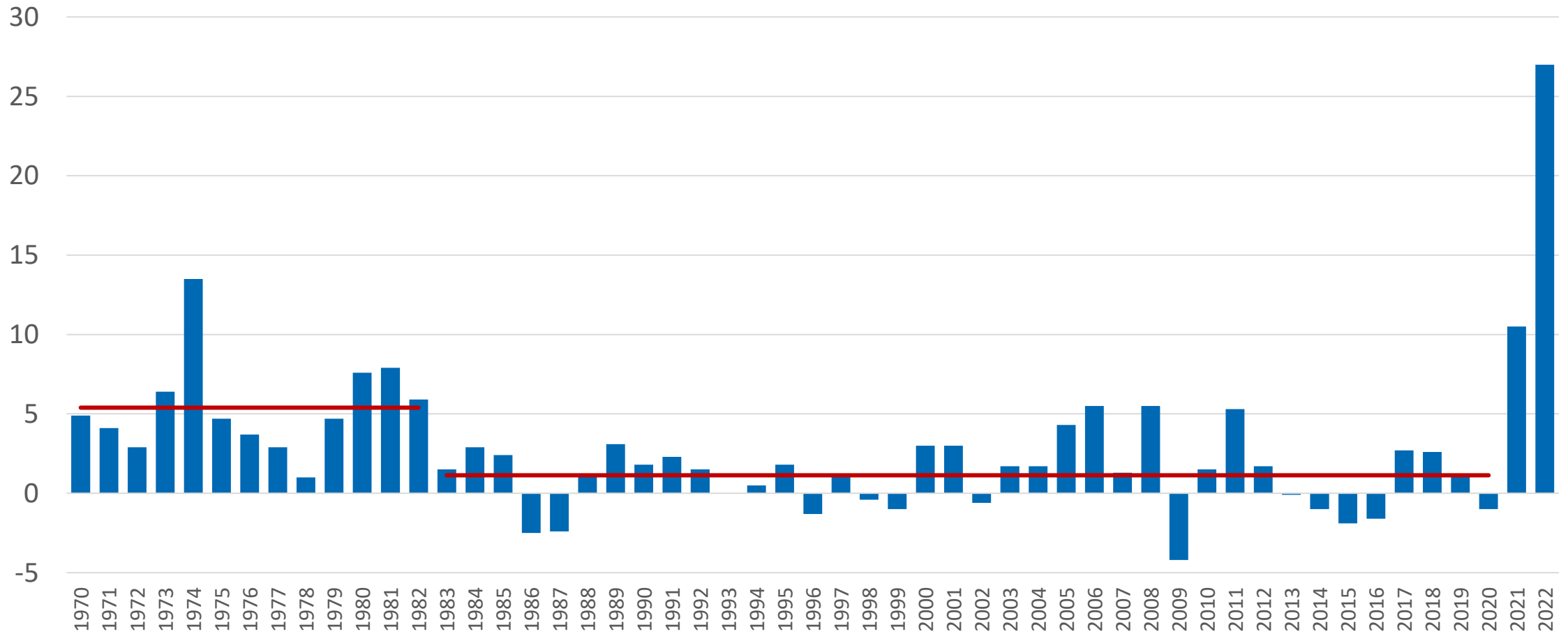
Sources: Statistisches Bundesamt; Institut der deutschen Wirtschaft

# Multiple disruptions of globale value added chains



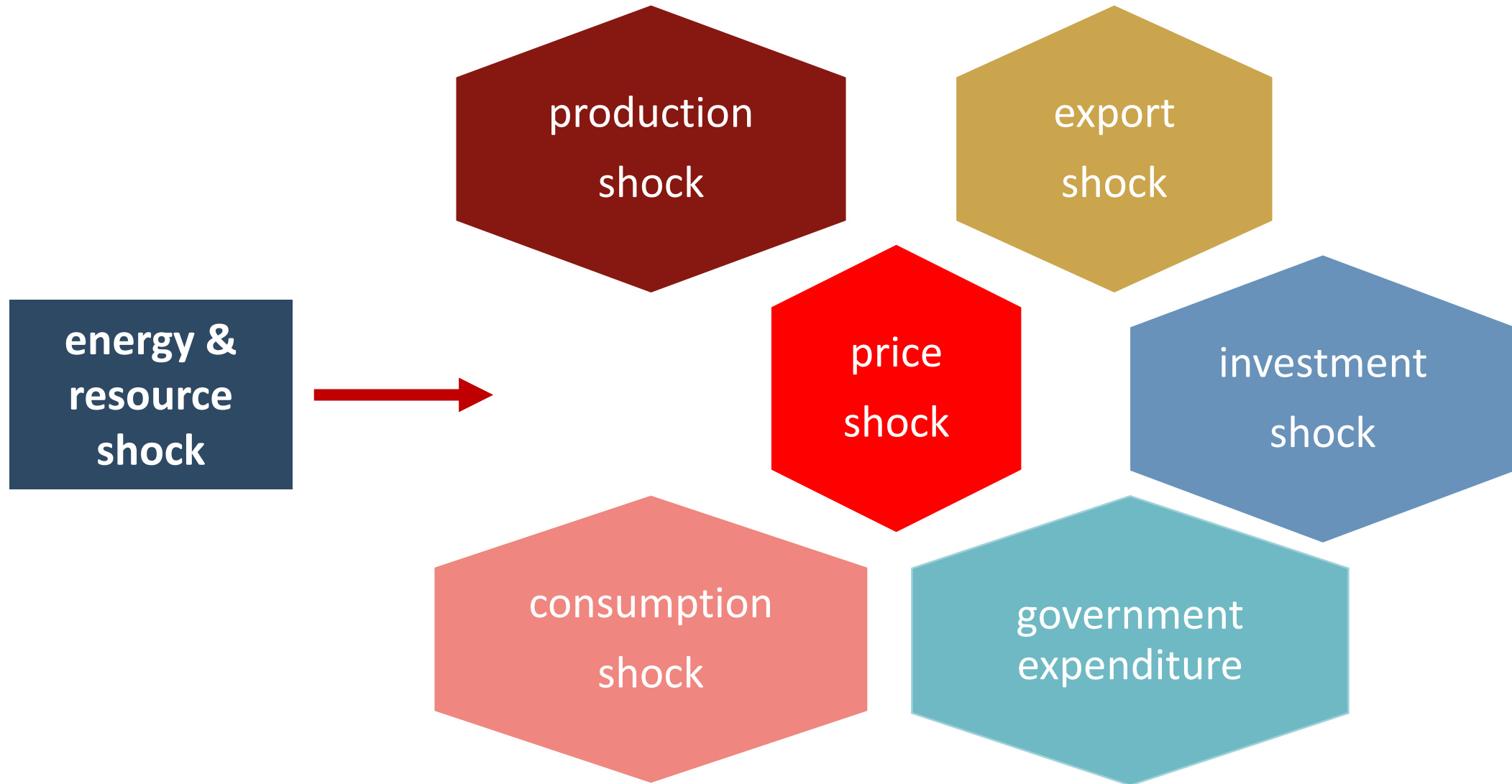
# Producer prices in Germany – in a historical context

Change against previous year in percent (2022: January to March)



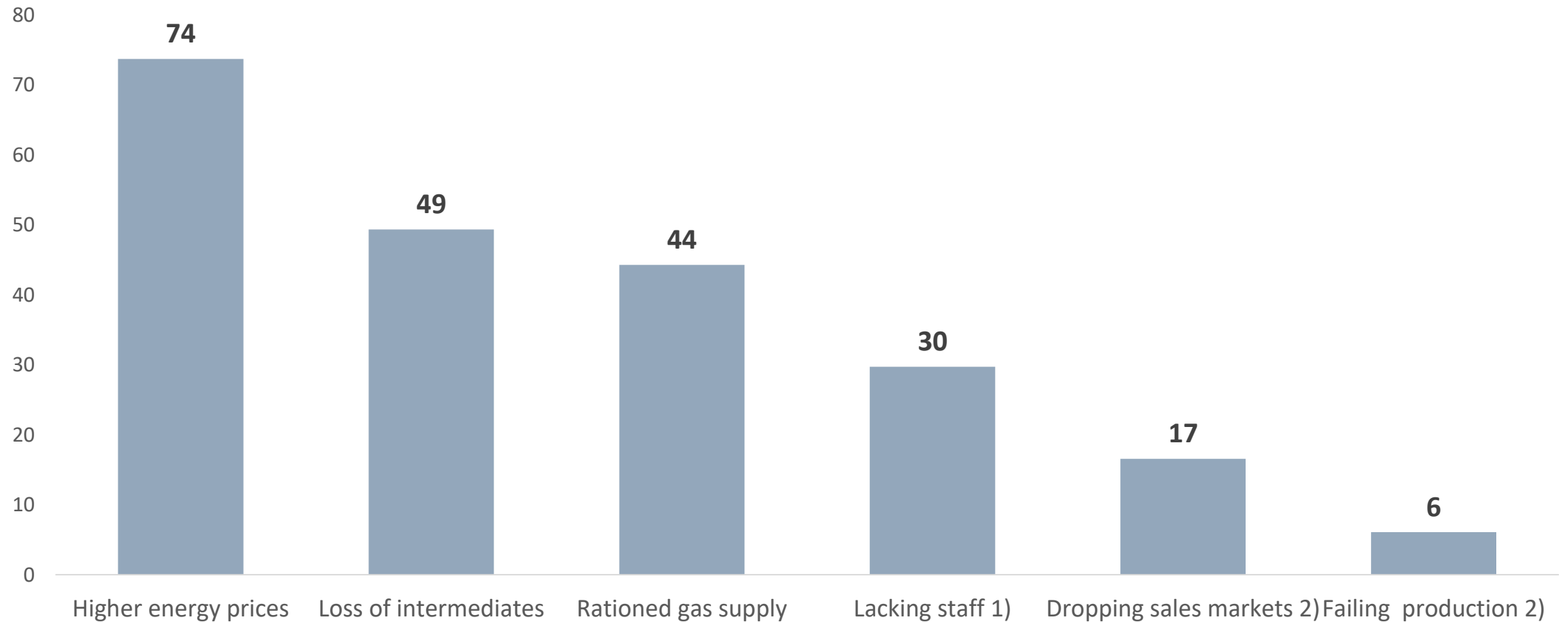
Quelle: Statistisches Bundesamt; Institut der deutschen Wirtschaft

# Transmission mechanisms of the war in the Ukraine



# Burdens from the war in the Ukraine

Short-term burdens to a high and medium extent, in percent of surveyed companies

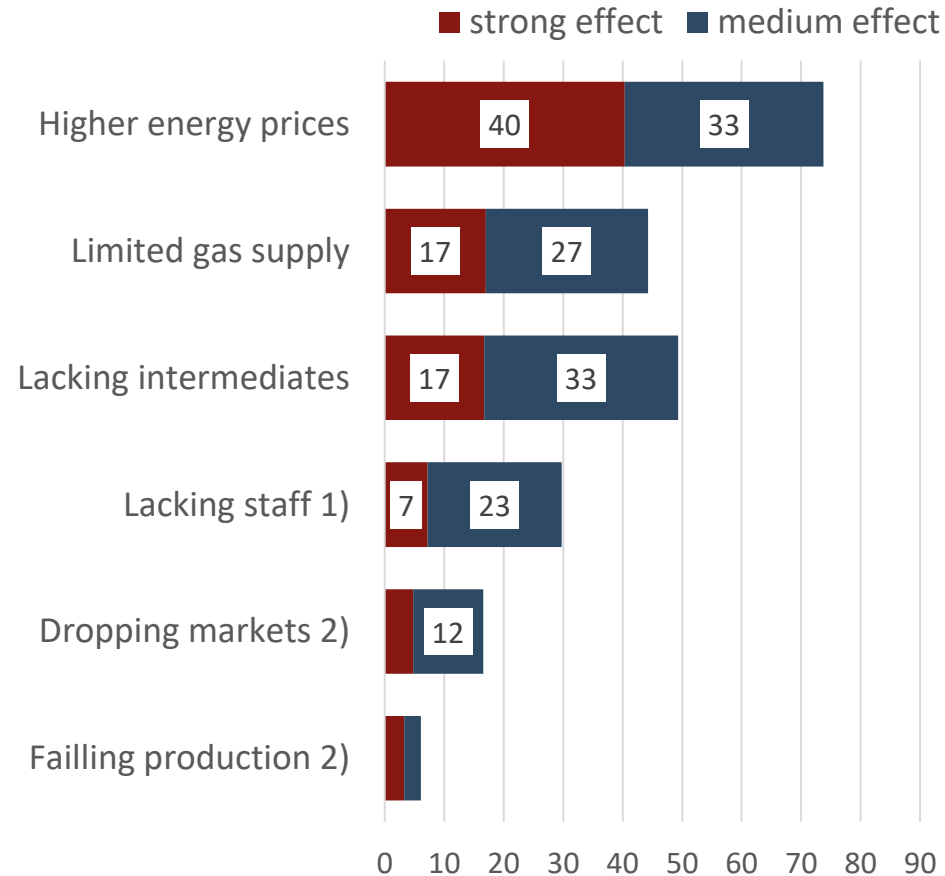


1) In Germany. 2) Russia and Ukraine. Source: IW-Konjunkturumfrage Spring 2022

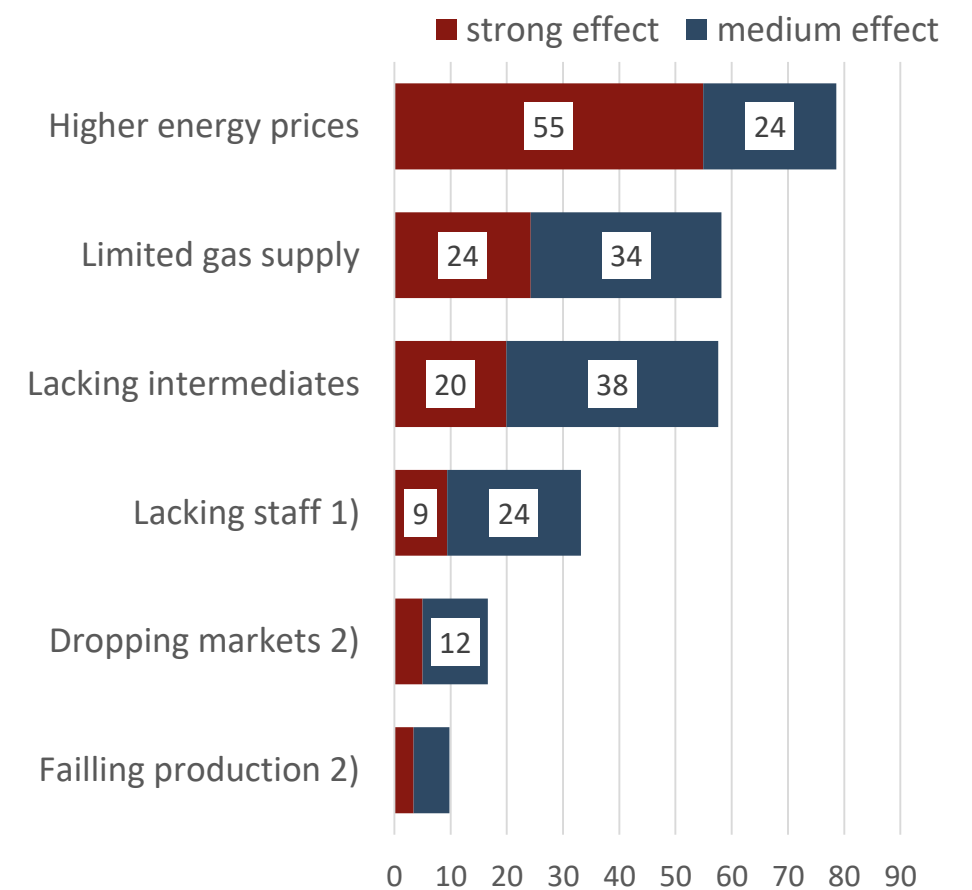
# Short- and medium-term effects of the war in the Ukraine

Short- and medium-term burdens to a high and medium extent, in percent of surveyed companies

## Short-term effects



## Medium-term effects



1) In Germany. 2) Russia and Ukraine. Source: IW-Konjunkturumfrage Spring 2022

# Long-term effects of the Corona pandemic

## – an orientation for the impact of the war in the Ukraine?

Positive	Negative
Openness to innovation	Scarring effects: education, labour market, investments
Push for digitization	Protectionism / geopolitical tensions
Human capital promotion	Structural unemployment
Impulses for public infrastructure	De-globalization: knowledge transfer / migration
Stability of value-added chains	Growing state influence / market criticism
Technological sovereignty	Market concentration
Risk diversification	
Start-up of new companies	

Source: Grömling, Michael, 2021, COVID-19 and the Growth Potential, in: Intereconomics, 56. Jg., Nr. 1, S. 45-49

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