

Weighted-normalized GF roles in the 2010 manufacturing trade

The weighted-normalized Gould-Fernandez measure produces nuanced information on the brokerage role of EU regions.

## The international organisation of production and its impact on regions: A network analysis

### BACKGROUND: Regional inequality is growing

- Revenge of the places that don't matter: Brexit, Trump
- Regions are even more exposed to the global nature of economy
- Regions can create interregional & international ties that expose them to both development and potential shocks

### RESEARCH QUESTION:

How does Global Value Chain participation affect regional growth and inequality?

### → How to measure GVC participation through brokerage measure?

Brokers connect otherwise unconnected actors and with this gain *access to resources* (information + power + economic activity) but are also *exposed to shocks*.

### DATA & METHODS

EUREGIO: Trade Input-Output data on the regional level

- Full network: weighted and directed
- No appropriate network measure:
- Betweenness centrality does not provide meaningful insights into broker roles

*Need for new brokerage measure*

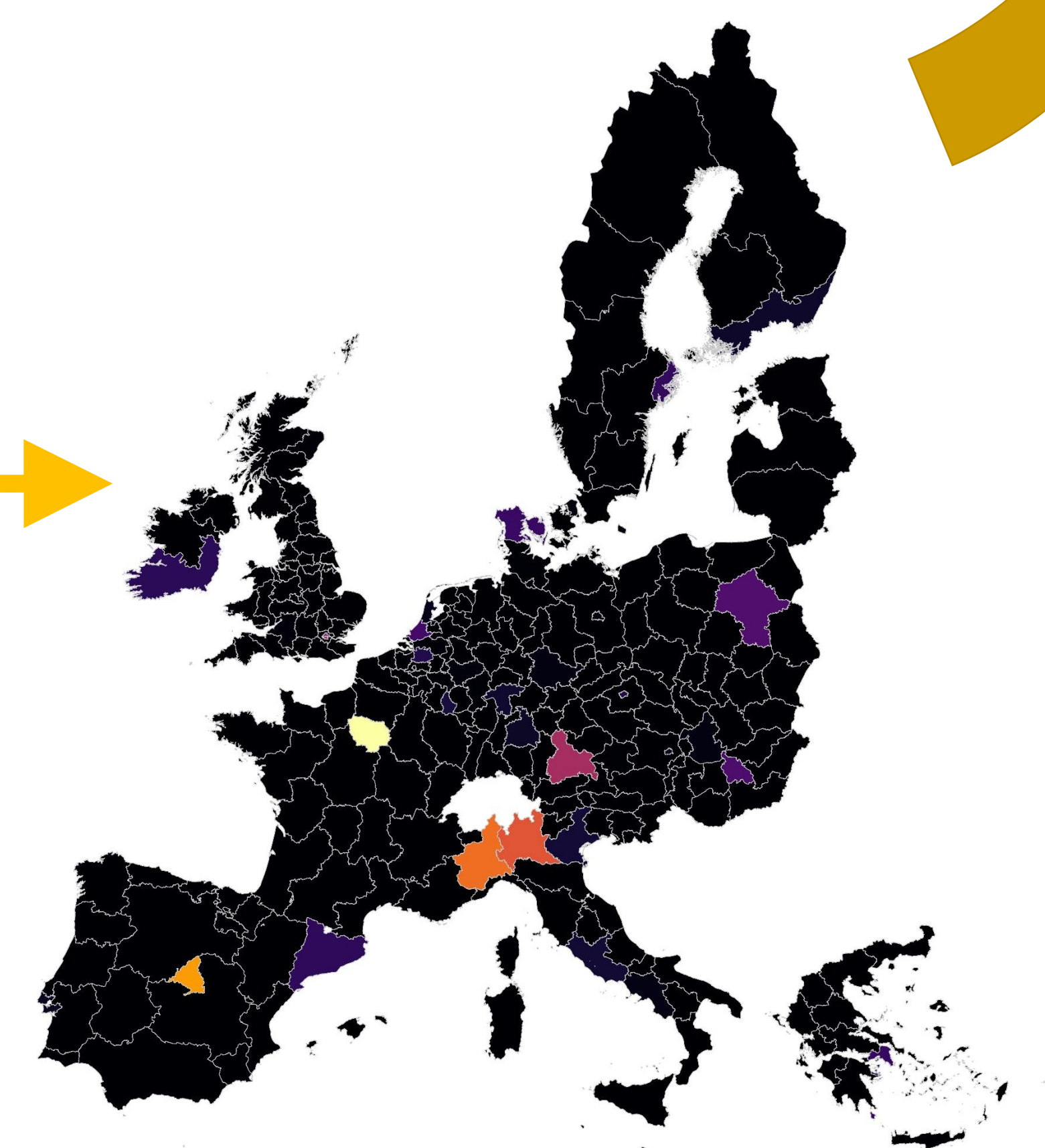
### RESULTS:

*A weighted-normalized Gould Fernandez (WNGF) brokerage measure is introduced.*

Brokerage Role	Visualisation	Description
Coordinator		$\min(Z_{qr}^{ii}, Z_{rs}^{ii}) > Z_{qs}^{ii}$
Gatekeeper		$\min(Z_{qr}^{ij}, Z_{rs}^{jj}) > Z_{qs}^{ij}$
Representative		$\min(Z_{qr}^{ii}, Z_{rs}^{ij}) > Z_{qs}^{ij}$
Itinerant		$\min(Z_{qr}^{ij}, Z_{rs}^{ji}) > Z_{qs}^{ii}$
Liaison		$\min(Z_{qr}^{ij}, Z_{rs}^{jk}) > Z_{qs}^{ik}$

Nodes are regions, the square is the broker, node colour indicates country.

### Betweenness centrality of regions



### INFORMATION MAXIMIZATION:

The ECDF plot shows that the WNGF measure (purple) has more normal distribution, while other methods retain less information.

