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Sehr geehrte AbonentInnen,

wir freuen uns, Sie per Newsletter über die neuesten Entwicklungen des FIW-Projekts informieren zu dürfen.

Dieses Mal mit folgendem Inhalt:

- Außenwirtschaftsjahrbuch 2010 veröffentlicht
- 14. FIW Workshop am 18. 03. 2011
- Update des FIW-Datenabfragetools
- FIW-Working Paper Nr. 66 veröffentlicht
- FIW-Studie Nr. 02 aus 2010/2011 veröffentlicht

### **Jahrbuch "Österreichs Außenwirtschaft 2010" veröffentlicht**

Das im Rahmen des Kompetenzzentrum "Forschungsschwerpunkt Internationale Wirtschaft" (FIW) erstellte Jahrbuch "Österreichs Außenwirtschaft 2010" steht hier zum freien Download zur Verfügung (auch einzelne Kapitel sind erhältlich).

<http://www.fiw.ac.at/index.php?id=45>

Die aktuellen makroökonomischen und institutionellen Herausforderungen für den Euro-Raum angesichts der Krise und die Wechselkursentwicklung des Euro sind heuer zentrale Themen im Jahrbuch "Österreichs Außenwirtschaft 2010". Darüber hinaus finden sich darin Beiträge zu einer ganzen Reihe weiterer interessanter Themen wie die Erholung der Weltwirtschaft und des Handels von der globalen Wirtschaftskrise, der internationale Währungsstreit, oder die jüngsten Entwicklungen in der österreichischen Außenwirtschaft. Zum ersten Mal wird der österreichische Warenaußenhandel auch auf regionaler Ebene dargestellt. Das Jahrbuch dient auch als kompaktes und informatives Nachschlagewerk für globale und österreichspezifische Außenhandelsdaten.

### **14. FIW-Workshop**

Am 18. März 2011 findet der 14. FIW-Workshop "Rebalancing the Global Economy" in Räumlichkeiten der Österreichischen Nationalbank statt. Sobald das Programm feststeht, finden Sie es auf der Homepage.

### **Update des Datenportals**

Die aktuelle Version 1.23 erweitert das FIW-Datenabfragetool um neue Funktionen und enthält weitere Verbesserungen.

Version 1.23 des FIW-Datenabfragetools fügt folgende Verbesserungen und neue Funktionen hinzu:

- Strukturinformationen können nun abgerufen werden, indem das kleine Symbol “i” auf der rechten Seite von jedem Knoten in der hierarchischen Datenansicht im “Catalog Browser” ausgewählt wird. In der Katalogauswahl in der “Advanced Search” erscheint das selbe Symbol.
- In der Hilfe Rubrik stehen nun kurze Einführungsvideos in deutscher Sprache zur Verfügung. Die Hilfe ist nun kontextsensitiv: Die relevantesten Tutorials werden zuerst angezeigt.
- Für die Datenquellen BOP, IFS, IIP und FDI ist die Dimension “Type” als zusätzlich Suchkriterium in der “Advanced Search” verfügbar.
- Suchanfragen sind nun besser an die Fenstergröße angepasst, insbesondere wenn man die Tabs Funktion des Browsers verwendet.

### **Neue FIW-Working Papers**

Ein neues Working Paper wurde veröffentlicht und kann gratis heruntergeladen werden. <http://www.fiw.ac.at/index.php?id=545>

FIW-Working Paper Nr. 66

#### **“Mode of International Investment and Endogenous Risk of Expropriation”**

Ramin Dadasov, Oliver Lorz (RWTH Aachen University)

##### Abstract:

In this paper, we develop a politico-economic model to analyze the relationship between the mode of international investment and institutional quality in a non-democratic capital importing country. Foreign investors from a capital-rich North can either purchase productive assets in a capital-poor South and transfer their capital within integrated multinational firms or they can form joint ventures with local asset owners. The South is ruled by an autocratic elite that may use its political power to expropriate productive assets. In a joint venture, the domestic asset owner bears the risk of expropriation, whereas in an integrated firm, this risk affects the foreign investor. This effect lowers the incentives for specific investments in an integrated firm and distorts the decision between joint ventures and integrated production. By setting the institutional framework in the host country, the elite influences the risk of expropriation. We determine the equilibrium risk of expropriation in this framework and the resulting pattern of international production. We also analyze as to how globalization, which is reflected in a decline in investment costs, influences institutional quality.

### **FIW-Studien 2010/2011**

Die zweite Studie aus dem Studienpool II (2010/2011) ist erschienen und steht auf der Homepage unter: <http://www.fiw.ac.at/index.php?id=640> zum Download bereit.

FIW-Studien 2010/11 Nr. 2

#### **“A Land Far Away”**

Guenther Grohall (SportsEconAustria) und Yuri Yegorov (University of Vienna)

##### Abstract:

What goods to export and where to sell them? Our research was pursuing these two major goals. The first one is related to detecting countries where Austria has good perspectives for boosting its export. The basic idea was to use macroeconomic data set detecting the significant variables. We found that besides the GDP of importer and distance, there are more important variables like being landlocked, language, inflation, and so forth. We found recent GDP growth rate to be non-significant in more than just the very basic models. Taking all explanatory variables into account we could calculate the country-effects, telling us how Austrian exporters are under or over-represented within each country. It is argued that exporters could put additional efforts into quickly growing countries where Austria is still under-represented. The second goal was a more detailed view on the role of transport costs. Gravity model was shown to be correct and robust (even for a class of functions of distance). The detailed accounting for transport costs requires consideration of different transport modes and ratios of value to weight. Distance suppresses trade of cheap goods most, suggesting that Austria has no disadvantage in export of high-tech goods (like pharmaceuticals and complex machines) over long distances. In particular, pharmaceutical sector has growing potential and trade with Russia is one of its perspectives.

Mit freundlichen Grüßen,  
Björn Rabethge  
Christoph Hammer  
(FIW - Projektbüro)

Es entspricht nicht unserer Philosophie Ihnen unerwünschte E-Mails zukommen zu lassen. Falls Sie keine weiteren E-Mails vom FIW erhalten möchten, schreiben Sie bitte an das [Projektbüro](#) mit dem Betreff "Abmelden".

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FIW - Ein Kooperationsprojekt von WIFO, wiiw und WSR  
Im Rahmen der Internationalisierungsoffensive der Bundesregierung (BMWFJ)

Dear Ladies and Gentlemen!

We are glad to inform you about the latest news on the FIW project:

in this issue:

- Yearbook Austria's External Economic Relations 2010 published
- 14. FIW Workshop on March 18th 2011
- Update of the data retrieval tool
- FIW-Working Paper Nr. 66 published
- FIW-Research Report Nr. 02 of 2010/2011 published

## Yearbook "Austria's External Economic Relations 2010" published

Within the scope of the 'Research Centre International Economics' (FIW) the yearbook on 'Austria's External Relations 2010' has been published. You can download the full text of the yearbook (in German) and the English summary for free.

The English summary is a condensed version of the almost 350 pages long publication 'Österreichs Außenwirtschaft 2010', which is published by the FIW and funded by the Federal Ministry of Economy, Family and Youth. The publication provides readers interested in economics numerous analyses and in-depth data on the institutional and economic setting within which global trade operates, on Austrian trade in goods and services, and on foreign direct investment within and outside of Austria. The volume focuses on the developments in 2009, and provides an outlook on 2010, with due consideration of the economic crisis. The special topic of this edition deals with 'Macroeconomic and Institutional Challenges in the Euro Area'.

## 14. FIW-Workshop

On March 18<sup>th</sup> 2011 the 14<sup>th</sup> FIW-Workshop "Rebalancing the Global Economy" will take place at the OeNB. When the programme is finished, you will find it on our website.

## Update of the data retrieval tool

Release 1.23 of the FIW-Database Tool adds some new features and improvements:

- "Structure Info" can now be obtained by selecting the small symbol "i" to the right of any node in a hierarchical data structure (works in "Catalog Browser", catalog selection in "Advanced Search" uses a button with the same symbol).
- The help section now includes short video tutorials (in German). It is now also context-sensitive: The most relevant tutorials are shown first.
- For BOP, IFS, IIP and FDI the dimension "Type" is now available as an additional search criterion on Advanced Search.
- The search dialogs now adjust better to the window size (especially noticeable if you use tabs in your browser).

## New FIW-Working Papers

A new Working Paper has been published and can be downloaded here: <http://www.fiw.ac.at/index.php?id=660#c9988>

FIW-Working Paper Nr. 66

### **"Mode of International Investment and Endogenous Risk of Expropriation"**

Ramin Dadasov, Oliver Lorz (RWTH Aachen University)

Abstract:

In this paper, we develop a politico-economic model to analyze the relationship between the mode of international investment and institutional quality in a non-democratic capital importing country. Foreign investors from a capital-rich North can either purchase productive assets in a capital-poor South and transfer their capital

within integrated multinational firms or they can form joint ventures with local asset owners. The South is ruled by an autocratic elite that may use its political power to expropriate productive assets. In a joint venture, the domestic asset owner bears the risk of expropriation, whereas in an integrated firm, this risk affects the foreign investor. This effect lowers the incentives for specific investments in an integrated firm and distorts the decision between joint ventures and integrated production. By setting the institutional framework in the host country, the elite influences the risk of expropriation. We determine the equilibrium risk of expropriation in this framework and the resulting pattern of international production. We also analyze as to how globalization, which is reflected in a decline in investment costs, influences institutional quality.

## **FIW-Research Reports 2010/2011**

The second Research Report from the 2010/11 pool has been published and can be downloaded at: <http://www.fiw.ac.at/index.php?id=640&L=3>.

FIW-Studien 2010/11 Nr. 2

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Guenther Grohall (SportsEconAustria) and Yuri Yegorov (University of Vienna)

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Kind regards

Björn Rabethge  
Christoph Hammer  
(FIW Project Office)