Center for Global Trade Analysis

Advisory Board
Strategic Planning Survey:
Final Report

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Target: Entire Advisory Board (23 members)
Hits: 2 rounds of mailing over 3 weeks
Responses: 15 out of 23 board members (65.2 %) Consumer surveys typically achieve between 10% and 25%
Survey breakdown was
Fully completed: 13 (56.5%) completed the survey
Partially completed: 2 (8.7%) completed less than 1/2 the survey

Each Advisory Board member was asked to answer a web based survey, asking opinions on the Centers present products and services, possible markets and potential future directions. Below are each question posed (in bold) along with the answers as given by Advisory Board members.

1) What GTAP products/services are you most proud of?
   - Data base (14)
     o data base improvements.
     o Adding value through knowledge and economies to the disparate parts and adding to the data base.
     o recognition of data base public good characteristic.
   - AnalyseGE
   - RunGTAP
   - The network/GTAP community
   - short courses,
   - annual conference (3)

2) How is GTAP perceived by those outside the consortium?
   - Among WTO delegates there seems to be a certain doubt as to the reliability and link to reality of the model's assumptions and predictions.
   - This would depend on whom you asked. Some people associate GTAP with the annual conference, others know GTAP as the organization which developed the main data base and model, and others may be familiar with research carried out by GTAP staff.
   - Black box. Non-users don't entirely trust the results, but agree there is nothing better.
   - Very positively. GTAP is perceived as a very valuable source of data and analytical insight on general equilibrium trade analysis. However there seems to be almost a bit of Microsoft backlash. That is, even though GTAP is open source, a number of researchers will criticize certain elements of the GTAP model or data base in an attempt to build their own work up - and its easier to do this as GTAP sends a lot of people out from the short course who can then write bad papers. I'm not suggesting dropping the short course approach; just recognize that there seems to be an increasing number of professional pot shots taken at GTAP and think, on the margin, how best to manage this so that overall GTAP credibility doesn't suffer.
   - Its role in providing public goods is sometimes confused with monopoly provision, and seen as anticompetitive. Some think that thoughtless, inexperienced or downright bad use of the model and/or data reflects badly on the consortium.
there are different opinions on this, 1) a very powerful and extremely helpful tool, 2) still: no intellectual work involved in an analysis with GTAP as the model is provide, 3) there is free access, however, there a only a few agencies (means consortium members) who have the resources to do sophisticated work with it.

- I believe that GTAP is generally perceived by most people as a highly useful institution that is providing a global public good (the model and the data base)
- I assume that by 'those outside the consortium' you mean the universe except consortium members. Well, this is a pretty large set. let's see 1) a great success, 2) a threat.

- Very useful to perform applied CGE work. Standard: used in almost every CGE work on trade liberalization (at least multilateral). Not necessarily accurate on several points (SAM for developing countries, etc.)
- Hard working and producing a much-needed public good. I do hear people put it down, but I think this is generally modelers who miss the old world of black boxes, where they could earn rents. It is a sign that the open-source philosophy of GTAP is working. Overall, it is recognized as an important public service.
- It is considered as a key example of a successful international network. It has improved the quality of CGE analyses. It respected by many policymakers in international trade etc. as an authority on policy relevant analyses. It gains acceptance in economic science but the data and the model are also considered as a black box.
- I think it is generally perceived in a favorable light. There are very few if any real competitors. To the extent there is negative perception, there are questions about accuracy--those who are involved in the details of a sector and/region can question what appear to be somewhat odd data regarding capital vs. labor intensity, energy use, etc. In part (or maybe large part) this may reflect the difference between SAM-NIPA accounting and a more partial equilibrium perspective--or just odd data in the original NIPA that may reflect pricing in a country or conventions about what is in a sector or not.
- Very well
- I don't have enough experience that is relevant to answer this question. Reliably. My impression is that those people who know of GTAP's existence regard it as the authoritative source in the field of global economic modeling of trade.

3) Are we serving all of those who might benefit from GTAP?
   Yes: 6          No: 8

   a) If no, who are we missing?
      - I only choose "no" so I have a chance to comment. I really can't answer this question. My one concern would be that the general public (especially students) has free or cheap access to a scaled down version of the model and data base. Perhaps this is already the case. This helps build up future demand.
      - The database itself is very useful. Making it available to non-members is a good idea. I would be interested to see the uptake.
      - Large parts of Africa, South Pacific.
      - More emphasis on the GAMS-based community of modelers would broaden the data base's use. Also the GTAP consortium would benefit from cross-fertilization with GAMS-based modelers, who seem to be working more on the theoretical state of the art than the standard GTAP applications. Also, a clearing house of datasets for published papers would raise the standard of transparency.
      - Viewing conference programs and composition of advisory board, climate-change issues seems to be underrepresented given the efforts involved with the E data bases and model. The input-output societies could use the GATAP data in their models "
      - Developing countries
• Extensions of the GTAP model are not always provided to the public (I know it is difficult to find the time to write them up) and not always described properly so that everyone has access.
• Too little active involvement in developing countries

4) Should we stop serving any segment of our user population?
Yes: 2 No: 12
a) If yes, please specify
• Again, I really can't comment, don't know.
• It would be helpful if agricultural protection issues could take fewer resources, allowing development of better protection data elsewhere. Could agricultural issues be hived off into GTAP-A, the way energy issues have been hived off into GTAP-E?

5) What broad area of GTAP would we gain most from improving?
• Improve user friendliness
• Data. Model, interface are OK.
• Data base quality. Make sure that the data base can sustain intense review at the national/regional level by experts. Particularly the policy data.
• So long as the focus is trade, then trade protection (theory and data) will always matter more than almost anything else. There are many merchandise trade issues that are not treated at all well (e.g. rules of origin) and a whole host of non-merchandise trade issues that are not treated at all (e.g. IPRs). Pick up any recent bilateral free trade agreement - how many chapters are we simply not covering? And how bad are our assessments of the effects of these agreements accordingly.
• Exploring more uses for the data, apart from the standard model.
• The data base, 1) the quality, 2) the content: including no tariff barriers.
• A lot of very good improvements have been completed or are in the works. The Russian update is welcome. I think the biggest gain is from maintaining an accurate and updated data base--e.g. with regard to changing countries (e.g. break up of USSR--and so getting the new countries represented--at least the more significant ones--is important). Similarly, the changing EU and expansion and keeping up with that is important--but again I think you've done that. I think the further reconciliation of the economic data with physical data--energy, land use, emissions of pollutants is both a way to evaluate the accuracy of the data (and what is representing) and a way to expand the user community.
• Quality of data base and elasticities
• Covered elsewhere
• Measurement of protection - trade in services - transparency about the data source and quality (estimated or source data, degree of reliability)
• The data base
• Clearly, the quality of the data base is critical, but also improve assistance measures; improve users' awareness of limitations (misuse discredits GTAP, and some less-than professional types are able to push buttons to get results -- and spout stuff about chaotic aspects of the model...); probably provide a cut-down version of the model, e.g. one that does not include welfare decomposition, or the minimum set of equations/behavior required to support the data base; review welfare calculation/ decomposition (many colleagues do not use it because of doubts about validity)

6) What specific area of GTAP should we be focusing additional resources and energy on, in your opinion?
• Improve data on trade restrictions, including taking into account actual tariff revenues.
• Don't know
• Preference data, AVEs
• I mentioned the data base. I also think that more emphasis could be added to the center's research efforts. So, on the margin, with additional resources I would see investment in improved data base quality, and also in more "scientific" focused research - conceptual, methodological issues in GE modeling. But I would not want to see that occurring through reduced policy focused research.
• Trade preferences, rules of origin, services, investment, government procurement, other non-merchandise trade issues.
• Further disaggregation in manufacturing (grumble grumble...). Some kind out outreach with the GAMS people (so that ECOMOD does not eat into an important element of the GTAP consortium and possibly destroy the funding model for what is a public good). Pursuit of large-scale, permanent funding for an open-source approach to the data base (as was once contemplated). Try this again! A marrying of GTAP data with available FDI data (maybe this is a pipedream)
• The quality of the data base in particular service trade and (non-tariff) trade barriers.
• Transport breakout in households and labor and capital taxation.
• Data quality
• Covered elsewhere
• Data quality (an documentation of the quality) - Trade in services FDI
• Disaggregation of some agricultural sectors (e.g. beef and sheep, pig and poultry); Agricultural protection data (proceeding the work started with version 6.0); GAMS based GTAP (to stop other people doing that with the GTAP data base for you in Europe).
• Measures of border restrictions and assistance (tariffs AND NTMs) including dealing with potential inconsistencies between economically effective restrictions and government budgets.

7) **What are the top 3 strategic issues we should be looking at over this spring during this process?**
• Demographics, urbanization
• Maintaining and reinforcing scientific credibility
• Priorities and how to set them (need for new processes? need for new or wider consultation mechanisms?)
• The customer base for the data base and the related funding model
• Taxation, and other distortions--key to correct interpretation of economic effects.
• Data quality (3),
  o i.e. protection
  o Improve data on trade barriers (including NTBs)
  o Because the GTAP data base is the number one data base of many policy analyses and advices, quality is essential for our reputation.
  o To communicate the data- construction process transparently (open source system?)
  o Special modules in the data base
  o Include data on movement of natural persons
  o Physical data on land and agriculture.
  o Quality in elasticity measures
  o Tariff duties
  o Quality of developing countries’ data
  o Develop capability to address questions of services trade (all modes) and international investment.
• China's economic development and its effects on the world economy.
• GTAP on line training activities
• Trade
- How to manage growth
- Appropriate long-term software commitments (for the data base and modeling)
- Transportation in the household.
- International flows of labor; e.g., migration from eastern Europe as European economic integration proceeds
- Macro stability
- Linking the GTAP brand with other flagship research products and institutions.
- How to manage exit/succession
- Perhaps branching out from trade into public finance applications (i.e. another CGE community)
- Finding new users/groups
- Income distributional effects of trade liberalization
- Trade, included in services
- How to maintain/improve distance from US agencies
- To facilitate studies of globalization: proper dynamics including how development affects poor countries' structure as they develop
- How to avoid “lemons” to spoil the market
- How to maintain incentives for Board membership

8) What should we NOT spend time on regarding strategic issues?
- Abandon the idea of further splitting "land" into different types.
- Energy
- Worrying about whether to grow or not.
- Do SWOT analysis - don't repeat an Advisory Board meeting.
- Expanding the data bases in new directions/sectors/regions. Probably you will ignore this. The only reason to mention is that I perceive a trade off between expansion of the data base and quality.
- Expanding country coverage without or limited validation of data
- Extension of coverage of the data base extensions of the model itself
- Data base issues

9) What are you concerned might be overlooked during the long term planning process?
- Link to policy needs.
- Data quality (3)
- The needs of consortium members, good science based research policy, and good business practices
- If you have a good facilitator and use good planning techniques (eg SWOT analysis), the agenda should evolve without significant gaps. But don't forget to set action items and responsibilities at the end.
- Demand for the data is certainly issue driven. What kind of issues are on the radar screen but not yet in the data (like the move to incorporate climate change). Migration? FDI? Domestic tax structures? Etc....
- Stability. The heart of GTAP is the Purdue Center. How stable is that in terms of financial resources and people?
- Very long term (20 or more years) effects of policies and developments now coming into place or likely to do so within the next 5 years.
- Specific applications such as environmental topics, which are better treated is on-purpose project; Models development.
- Ed.
10) Looking forward to the next 10 years, what do you think the center can be the best at in the world?

- Provide the most extensive coverage of countries and sectors for the analysis of trade policies.
- Difficult to say. The importance of trade policy may have diminished in ten years, although non-tariff measures will be more important. We haven't done much about these. GTAP has a head start on the opposition and should be able to take advantage in a range of areas where new analysis is required.
- I think the center can be the best at providing a **nexus point for scientific research**, data base development, and applied policy work. One possibly neglected asset is the growing time dimension of the updated data bases. Who else has a set like this?
- It can be the only (and hopefully best possible) **clearing house for a globally consistent set of SAM-based national income accounts**. In this regard, you should be trying to build a "time series" of data bases (with concordance mappings). Maybe we can't use this yet, but in 10 or 15 years we could.
- The best **data base for calibrating CGE and input output models**. THE data base used in the most influential policy analysis on applied global economic issues.
- I think it can be a **premier source of data** for CGE global CGE modeling, and looked to as providing accurate and complete accounting.
- The **most accurate measures of the global economy** and **in depth training in CGE modeling**.
- 1) Further development and updating of a comprehensive global economic modeling data base. 
- 2) Training of economists in global economic modeling.
- 3) **Innovations in the global modeling framework**, including a detailed treatment of international capital flows and ownership of assets subscripted by residence of owner and location of (physical) capital.
- Building worldwide, consistent data bases, well-suited for analytical purpose, and combining international trade with production data. This is close to what is done presently, but I think that as the quality will be improving, the potential uses will extend (econometric analysis, etc.).
- The best source for an integrated system of data and equations to analyze 'trade policy issues' (defined in a broad sense, including border and post border measures, environmental, etc) of global importance.

11) Is the Center the right size?

Yes: 7  No: 6

a) If yes, are resources allocated appropriately?

Yes: 6  No: 0

*Note: with what follows it means at least 3 folks changed their mind, had chosen No, and then switched back to Yes.

b) If no, how should it change (shrink/grow)?

- Grow.
- It should grow.
- Growth, because demand will increase. This can only be fulfilled in a qualitative good way by more resources.
- It could perhaps grow a bit. An important concern to me is the durability of the output, even, in case of one or two key people leaving.
- Grow for sustainability; you need more folks.
12) If you could pick one area that would instantaneously be changed to your satisfaction within the data base or model, what would it be and why?

- Adjust capital/labor ratios across countries to reflect real figures.
- Incorporate data on factor taxes so second best issues can be examined.
- Services data. Large trade flows and sizable distortions of which we know little.
- The support data would be thoroughly vetted by regional experts in a timely and systematic fashion rather than through informal board review.
- I wish the social accounts still contained information on transport and trade margins.
- Bilateral service trade data.
- I would like a more complete accounting of distortions in the economy. Capital, labor, other taxes, and other policy measures. We have looked at the role of capital and labor taxes, augmenting the GTAP data base, the role of energy taxes, and now air pollution health effects. Most recently, the issue of Purchasing Power Parity has exploded as a volatile political issue--realistically I think one see differing prices internationally as a disequilibrium of short term exchange rates, and some form of non-traded goods with barriers/distortions between traded and non-traded goods or multiple factors that don't compete completely. Being able to treat these realistic aspects of real economies is essential. This is a tall order--some are easier--taxes--others difficult and controversial of just how to do it, to say nothing of where one would get the data.
- Data base quality (2); modeling can be carried in many platforms and software
- Too hard for someone (like me) on the periphery.
- Trade in services / FDI: the quality of existing sources is admittedly very poor, but a lot is at stake, and it has not been really possible to use GTAP in this respect, so far.
- Before sending me (re) data base releases check & double check.
- Probably international factor movements -- and see answers above.

13) What is your dream for GTAP?

- More disaggregated sectoral data and vast developing country coverage.
- A useful tool providing credible answers to relevant policy questions.
- To continue to make outstanding contributions to economic research on trade policy issues and to influence the development of trade policy by policymakers.
- An international society that - by its open and cooperative approach - stimulates high quality applied research on global economic issues by providing the necessary and relevant data, models, user-friendly software and a platform that facilitates extensive international cooperation and discussion.
- That it keep going (2)
- The increase sincere awareness of data quality and better understanding of modeling as a tool in capturing economic behaviors
- Enough institutional backing, enthusiasm and infrastructure to give the project an indefinitely long life.
- Another strange question.