About Paola Conconi’s ERC Grant

Paola’s ERC research proposal is motivated by two major trends in international trade. The first is the increasing fragmentation of production processes across countries: advances in information and communication technology and falling trade barriers have allowed firms to retain in their domestic economies only a subset of production stages, leading to a surge of trade in intermediate goods. The second trend is the proliferation of regional trade agreements (RTAs), which have risen in number and have become “deeper”, encompassing many provisions that go beyond traditional trade policy. RTAs have contributed to the creation of regional supply chains (e.g. “Factory Europe”, “Factory North America”), shaping firms’ sourcing decisions through preferential tariffs and rules of origin. The recent backlash against RTAs, exemplified by Brexit and President Trump’s decision to renegotiate the North American Free Trade Agreement, could have dramatic consequences for supply chains in Europe and North America.

Paola’s ambitious research agenda will develop new theoretical models and use exceptionally rich new data for pathbreaking analysis of the RTAs-supply chains nexus. She will study the impact of RTAs on firms’ sourcing decisions, productivity, and welfare, breaking from the literature on global sourcing, which neglects the role of trade agreements. She will also examine how large corporations with international supply chains shape the content and political support for deep RTAs, breaking from a vast literature in political economy, which studies agreements covering trade provisions only and neglects the role of firms.

About the ERC

The European Research Council’s mission is to encourage the highest quality research in Europe through competitive funding and to support investigator-driven frontier research across all fields, on the basis of scientific excellence.

ERC Advanced Grants are designed to support excellent Principal Investigators at the career stage at which they are already established research leaders with a recognised track record of research achievements. Applicant Principal Investigators must demonstrate the ground breaking nature, ambition and feasibility of their scientific proposal.

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About Paola Conconi

Paola Conconi is a Professor of Economics at the Université libre de Bruxelles, a member of the European Center for Advanced Research in Economics and Statistics (ECARES) and Research Associate of the Fund for Scientific Research (FNRS). She obtained a B.A. in Political Science from the University of Bologna, a M.A. in International Relations from the School of Advanced International Studies (SAIS) of Johns Hopkins University, a M.Sc. and a Ph.D. in Economics from the University of Warwick. Her main research interests are in international trade, firm organization, and political economy. She is a Research Fellow of the CEPR International Trade and Regional Economics Program, a CESifo Research Fellow, and the Director of the CEPR Research Network on Global Value Chains, Trade and Development.

She has published in several leading economics journals including the American Economic Review, the Review of Economic Studies, and the Journal of Political Economy.