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## **Upstreamness in the global value chain: manufacturing and services**

**Kenji Suganuma\***

### **Abstract**

This paper investigates “upstreamness,” which measures the distance of an industry from the final use in terms of the number of production stages, using the WIOD global input-output tables consisted of 40 major countries. We find the global upstreamness has increased in the mid-2000s. This trend has been created mainly by manufacturing sector, but service sector has also contributed to the increase. In manufacturing, upstreamness has increased mainly in East Asian economies including Japan, which is consistent with the recent deepening of the global value chains in this area. In services, growing role of business services contributed to the deepening of the value chains, such as outsourcing via leasing and staff agencies, and linkage to the new businesses through mobile telecommunications. In further research, upstreamness can be applied to the analysis of industries’ international competitiveness and of influence of demand shocks across countries.

**Keywords:** upstreamness, global value chain, production fragmentation, I-O tables

**JEL classification:** D57, F14, F60, O14, O24, O53, O57

\* Economist, Institute for Monetary and Economic Studies, Bank of Japan (E-mail: kenji.suganuma@boj.or.jp)

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