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Condensed version of the OECD foreign trade by commodities tapes

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RECORD FORMAT

Reporting country		Partner country				Bits
1	16	17	32			
Characters						
1	2	3	4			
January - March						
Quantity			Value			
33	64	65			96	
5	8	9			12	
January - June						
Quantity			Value			
97	128	129			160	
13	16	17			20	
January - September						
Quantity			Value			
161	192	193			224	
21	24	25			28	
January - December						
Quantity			Value			
225	256	257			288	
29	32	33			36	
SITC code [7]			Quantity Unit		Control Code	
289	328	329	344	345	352	
37	41	42	43	44		

The problem of linkage of national econometric models through trade flow equations has been faced in the literature in several different ways. One of them, called the "Import Allocation Model" was proposed and empirically implemented by A. P. Barten [1] and leads to a bilateral linkage model of the countries of the European Economic Community (EEC).

The basic principle is that the decision process concerning the import of commodities can be formalized as a two-step process.

In the first step, it must be decided whether the demand for a given commodity (or aggregate of commodities) should be fulfilled by

domestic or foreign supply; this is a matter concerning each country model.

In the second step, the foreign supply of imports must be allocated among the various partner countries; this is a matter of the import allocation model. The bilateral import prices are assumed to be the main explanatory variables of the process.

Unfortunately, official statistics are not available for bilateral import prices and the use, as substitutes, of total export prices (the same for a given exporting country, whichever the market) seems to be one of the causes of the not completely satisfactory results obtained in practice [2, p. 79].

The construction of the time series of bilateral import price indices for the EEC countries has been undertaken, at the beginning of 1976, by the Directorate General for Economic and Financial Affairs of the Commission of the European Communities and the IBM Scientific Center of Pisa.

For this purpose it was decided to use the data on bilateral trade by commodities supplied by the Organization for Economic Cooperation and Development (OECD) [4].

The use of these data, however, was extremely difficult, since they were supplied on 126 magnetic tapes (for the period 1963-1975).

As a preliminary step, it was, therefore, decided to transfer all the data into a more condensed and manageable support. Using higher density tapes, higher blocking factor and recoding each record (as in the above record format) it was possible, at the beginning of 1977, to transfer all the data into 5 magnetic tapes (2 for imports and 3 for exports).

Technical details on the record format and the use of these tapes are given in [3].

The first results derived from the use of these data are described in [5] and [6], while reference should be made to [4] and [7] for details on the characteristics of the data.

References

- [1] A. P. Barten, "An Import Allocation Model for the Common Market," Cahiers Economiques de Bruxelles 50, 3-14 (1971).
- [2] A. P. Barten, G. d'Alcantara and G. J. Carrin, "COMET; A Medium-Term Macroeconomic Model for the European Economic Community," European Economic Review 7, 63-115 (1976).
- [3] C. Bianchi, G. Calzolari and P. Lischi, "A Manageable Support for the OECD Data on Foreign Trade by Commodities," IBM Technical Report G513-3567, (1978) Pisa.

CONDENSED VERSION OF THE OECD FOREIGN TRADE BY COMMODITIES TAPES -
Continued

- [4] OECD, "Tape Specification on Foreign Trade by Commodities Tapes," OECD, Paris.
- [5] P. Ranuzzi, "Bilateral Import and Export Functions for Italy," in "Models for Regional Planning and Policy-Making," ed. by A. Straszak and B. V. Wagle, IBM UK Scientific Center No. 0097, 309-349 (1977) Peterlee.
- [6] P. Ranuzzi, C. Bianchi and G. Calzolari, "A Bilateral Linkage Model for the EEC Economies," in "Models and Decision Making in National Economies," ed. by J. M. L. Janssen, L. F. Pau and A. Straszak, 171-178 (1979) Amsterdam.
- [7] United Nations, "Standard International Trade Classification (SITC)," Revised, Statistical Paper Series M No. 34, (1961) New York.