

**World Input-Output Database****De Gucht: China "less of a problem"**

By Lénaïc Vaudin d'Imécourt | Monday 16 April 2012

The World Input-Output Database (WIOD), released on 16 April, is expected to help analyse the effects of globalisation on trade patterns, environmental pressures and socio-economic developments across a large number of countries. "Our trade relationships with key partners are different from what we previously thought," Trade Commissioner Karel De Gucht explained while trying to show the benefits of the database. "When we look at trade in value as opposed to traditional statistics, our trade deficit with China is reduced by 36%," he said, adding that in light of these new figures, China "starts to look like less of a problem". Traditional trade statistics are often criticised for not taking into account the complexity of a globalised assembly line, in which several parts of one same product are produced in different countries.

The WIOD covers 27 EU countries and 13 other major states across the world (including China, the US and Brazil) for the period from 1995 to 2009 and was designed to counter the lack of appropriate data, considered as an obstacle to "get thorough understanding of the implications of the shifting and nature of trade flows," according to DG Trade's website. "The WIOD will deepen our knowledge of the causes and effects of the increasing interrelatedness of countries and industries. This way, it will help policy makers and societies to better respond to many pressing economic, social and environmental challenges."

The new method, which was financed by the European Commission - or "European taxpayers' money," according to De Gucht - will, however, not be used by Eurostat, the statistical office of the EU, which will continue to use traditional trade statistics.