

# Participation in GVCs and Industrial Competitiveness of CESEE Countries in The Pre-COVID-19 Era- Is There Room for Improvement?

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## ABSTRACT

The ability of economies to grow and provide a better standard of living for their citizens depends on the international competitiveness of their businesses and industries. In the last two decades, especially after the global recession of 2007-2014, economic policymakers, academics and economic actors interested in sustainable growth and development in a globalised world have focused on ways to increase national competitiveness by strengthening countries' industrial potential. The integration of domestic producers into global value chains (GVCs) is seen as an opportunity to catch up with the industrialised countries. GVCs, a key feature of modern trade, involve the division of production into transnational tasks. Despite all this, a search in the keyword database Web of Science revealed a lack of academic research dealing with participation in GVCs and industrial competitiveness for the countries of the CESEE region. Therefore, global value chains and industrial competitiveness were analysed theoretically and empirically in this study. Statistical methods were used for data analysis, graphical representation and interpretation. The descriptive analysis assessed the position of BiH and the CESEE countries in the global value chains and their industrial competitiveness. Therefore, the focus of this paper is precisely to analyse the relationship between the mentioned variables and to obtain a basis for future research recommendations.

**Keywords:** global value chains (GVCs); manufacturing; industrialization intensity; CIP