



Federal Ministry  
for Economic Affairs  
and Energy



Global Forum on  
**PRODUCTIVITY**



# Market Dynamics, Competition and the Role of Industrial Policy in the Context of the COVID-19 Crisis

FLAGSHIP ONLINE EVENT | 8 DECEMBER 2020

GFP WEEK OPEN WEBINAR SERIES | 30 NOVEMBER, 2 AND 3 DECEMBER 2020



DRAFT AGENDA

ANNUAL CONFERENCE OF THE OECD  
GLOBAL FORUM ON PRODUCTIVITY 2020

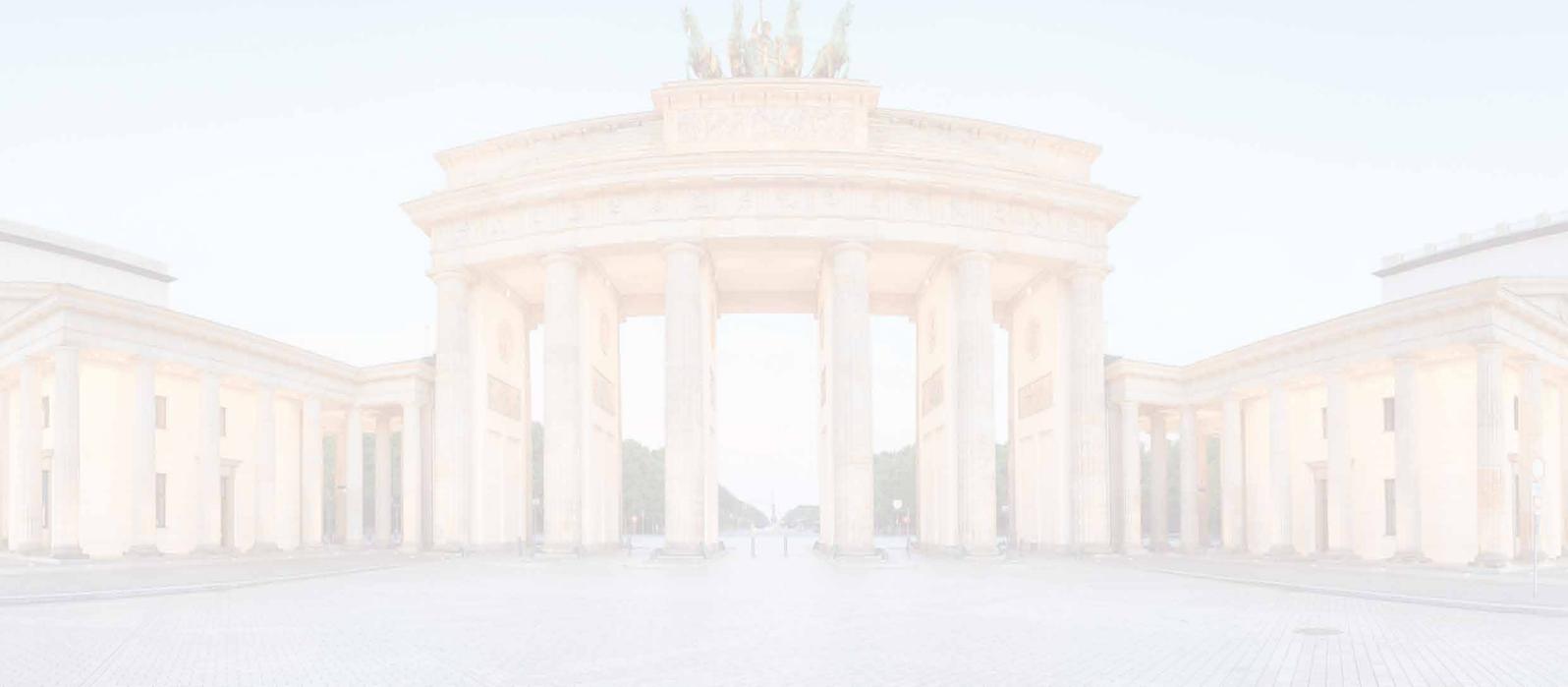


## Background

This year's conference is being organised by the OECD and the German Ministry for Economic Affairs and Energy and supported by the OECD Berlin Centre. Its topic is "Market Dynamics, Competition and the Role of Industrial Policy in the Context of the COVID-19 Crisis". The conference will be preceded by a series of webinars designed to feed the policy dialogue with academic insights. Digital technologies and business models drive productivity growth and are key to job creation and prosperity in the post-COVID era. They have the potential to allow for 'scale without mass' and to enable innovative start-ups to grow and gain large market shares. However, they can also create 'winner takes most' dynamics, market concentration and rising productivity gaps across firms. How do these developments affect market dynamics and competition in interconnected economies, and what role can modern industrial policy play to promote structural change while maintaining a 'level playing field' to ensure fair competition in global markets? The COVID-19 pandemic is likely to accelerate these already ongoing structural changes. In light of this, government action becomes even more important and policy dialogue around these topics is more timely than ever.

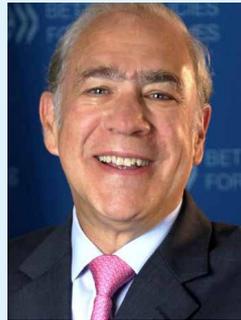
### The Global Forum on Productivity

*The OECD Global Forum on Productivity* (GFP) aims to foster international co-operation between public bodies with responsibility for promoting productivity-enhancing policies. It was set up by interested OECD member states and other countries and provides a platform for participants to convene in order to exchange information and discuss best practices, as well as a framework in which to undertake productivity analysis that is complementary to the OECD's regular work programme. Higher productivity opens up opportunities for growth in times of demographic change, creates scope for the distribution of wealth, secures international competitiveness, enables the financing of a better quality of public services, and facilitates the provision of care for an increasing number of older people. By advising on productivity-enhancing policies, the GFP therefore contributes to meeting these broader objectives.





## Invitation



Dear Colleagues,

Productivity growth is the ultimate key source of rising incomes and living standards. However, despite recent technological advances, productivity growth continues to disappoint in most countries around the world. Digital technologies offer vast potential for improvements, but also lead to new challenges relating to market power, concentration and competition. On top of the existing structural challenges, the prospects for productivity growth have been depressed further by the COVID-19 pandemic. In this context, governments need to revamp and upgrade their public policies – including notably industrial and competition policy – for our modern era to achieve sustainable and widespread productivity gains across the overall economy and to make our economies more resilient in the future.

To gain new insights into these highly topical issues, please accept our invitation to join us at the 2020 Annual Conference of the Global Forum on Productivity, jointly organised by the Federal Ministry of Economic Affairs and Energy and the OECD. Several distinguished academics and high-level policymakers will be addressing the challenges of productivity during our GFP Week in early December and in our Flagship Online Event on 8 December.

We hope you can join us!

Peter Altmaier  
*Federal Minister for Economic  
Affairs and Energy of Germany*

Ángel Gurría  
*Secretary-General of the OECD*

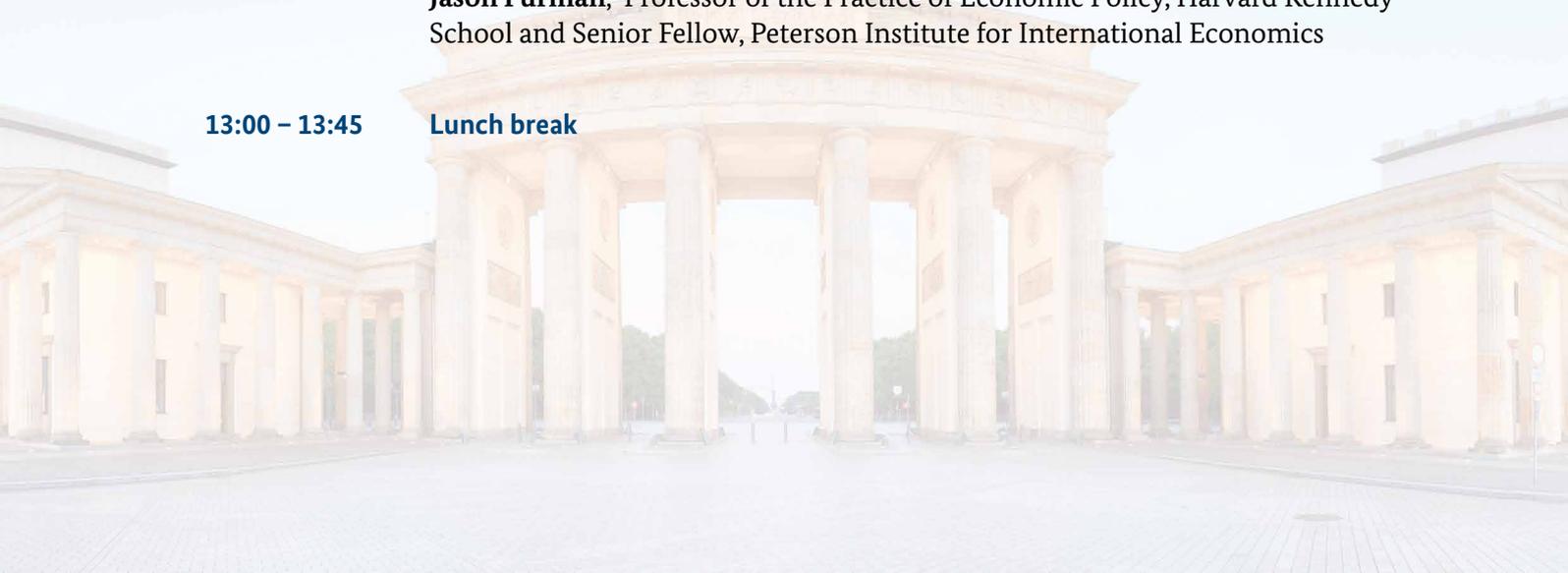




## Flagship Online Event

Tuesday, 8 December 2020 (CET)

- 10:30 – 10:45**      **Opening of the conference**  
**Elisabeth Winkelmeier-Becker**, Parliamentary State Secretary,  
Federal Ministry for Economic Affairs and Energy
- 10:45 – 11:00**      **Welcoming address**  
**Ángel Gurría**, Secretary-General of the OECD
- 11:00 – 11:40**      **Keynote speech**  
by **Philippe Aghion**, Professor of Economics, London School of Economics and  
Collège de France, followed by Q&A  
  
*Moderator: Luiz de Mello*, Director of the Economics Department,  
Policy Studies Branch, OECD
- 11:40 – 11:45**      **Coffee break**
- 11:45 – 13:00**      **Policy Panel: Modern industrial policy – Time for a new paradigm?**  
*How can industrial policy promote structural transformation amidst rapid digital  
change and in the context of the COVID-19 pandemic while maintaining business  
dynamism, productivity growth and an international “level playing field” for fair  
competition?*  
  
*Moderator: Philipp Steinberg*, Director-General, Economic Policy,  
Federal Ministry for Economic Affairs and Energy  
  
*Panellists:*  
**Declan Costello**, Deputy Director-General, DG for Economic and Financial  
Affairs, European Commission  
**Diane Coyle**, Professor of Public Policy, University of Cambridge  
**Murray Sherwin**, Chair, New Zealand Productivity Commission  
**Jean Pisani-Ferry**, Professor of Economics, Sciences Po and Hertie School  
**Jason Furman**, Professor of the Practice of Economic Policy, Harvard Kennedy  
School and Senior Fellow, Peterson Institute for International Economics
- 13:00 – 13:45**      **Lunch break**





**13:45 – 15:00**      **Panel discussion: Taming the ‘Superstars’ – How to promote competition and productivity**

*What are the drivers of (online) pricing, markups and concentration in the digital era, how does this affect productivity and what are the implications for competition policy, regulatory frameworks and antitrust policy? How does the COVID-19 crisis intensify some of these challenges?*

*Moderator: **Tomaso Duso**, Head of the Firms and Markets Department, German Institute for Economic Research*

*Panellists:*

**James Bessen**, Executive Director of the Technology & Policy Research Initiative, Boston University School of Law

**Cristina Caffarra**, Head of the Competition Team, Charles River Associates

**Monika Schnitzer**, Professor of Economics, Ludwig-Maximilians-University of Munich

**Justus Haucap**, Professor of Economics, Heinrich-Heine-University Düsseldorf

**Hal Varian**, Chief Economist, Google, and Emeritus Professor of Economics, University of California

**15:00 – 15:20**      **Wrap-up session and way forward**

**Andrew Wyckoff**, Director of the Directorate for Science, Technology and Innovation, OECD

**Philipp Steinberg**, Director-General, Economic Policy, Federal Ministry for Economic Affairs and Energy

**Ottavio Ricchi**, Head of Unit, Italian Ministry of Economy and Finance

**15:20 – 15:25**      **Closing remarks by the GFP Co-Chair**

**Stefan Profit**, Deputy Director-General, Economic Policy, Federal Ministry for Economic Affairs and Energy

*The Flagship Online Event is moderated by: **Kerstin Stromberg-Mallmann***





## GFP Week Open Webinar Series

30 November, 2 and 3 December 2020

To prepare the ground for the policy dialogue, the GFP will hold a GFP Week consisting of a series of webinars prior to the Flagship Online Event. The aim is to discuss recent academic insights on the changing structure of GVCs, fading market dynamics and the rise of market power. Specific focus will be given to how these developments are affected by the COVID-19 pandemic and how policies should adapt to these challenges.

### Webinar 1

#### Global value chains, vulnerability and R&D in times of structural change and the pandemic

*Concerns about job losses and fading innovation – at least in the manufacturing sector – have sparked debates about the future of GVCs in the past. Now, amidst the COVID-19 pandemic, the issue of vulnerability has become the focus of attention. Some of the key questions this session aims to address are: How does import competition affect the R&D and productivity of domestic firms? What role does the economic rise of China play in this context? Is global value chain integration still a driver of competitiveness? Are firms likely to decrease international linkages or will firms choose to diversify away from geographically concentrated suppliers in response to the COVID-19 pandemic?*

30 November 2020 (CET) via Zoom

13:00 – 13:10

#### Introduction to GFP Week

**Laurence Boone**, Chief Economist at OECD

*Moderator: Dirk Pilat*, Deputy Director of the Directorate for Science, Technology and Innovation, OECD

13:10 – 13:45

#### Keynote speech

**Chad Bown**, Senior Fellow at Peterson Institute for International Economics

*General discussion*

13:45 – 14:55

#### Paper presentations

**Monica Morlacco**, Assistant Professor of Economics at the University of Southern California

*“Two-sided trade and the transmission of shocks”*

**Lisandra Flach**, Director of ifo Center for International Economics, Ludwig-Maximilians-University of Munich

*“Product dependencies and the future of supply chains”*

*Lead discussant: Alonso Alfaro Urena*, Researcher, Central Bank of Costa Rica

*General discussion*



## Webinar 2

### Market dynamics, digitalisation and inclusive productivity

*Weaker market dynamics and growing productivity dispersion have long been discussed within the GFP as potential threats to productivity growth and inclusiveness. The COVID-19 pandemic is likely to accelerate the trend of dispersion: firms in the digital sector or firms that were able to move their business into the virtual space during the crisis might experience a leap in productivity, innovation and investment in new technologies, while laggards could fall further behind. How can policies address these challenges?*

**2 December 2020 (CET) pm via Zoom**

**13:00 – 13:10**

#### **Setting the scene**

**Nicola Brandt**, Head of OECD Berlin Centre

**Stefan Profit**, Deputy Director-General for Economic Policy, Federal Ministry for Economic Affairs and Energy

*Moderator: Nobuo Kagomiya*, Director-General for Economic Research, Cabinet Office of Japan

**13:10 – 13:45**

#### **Keynote speech**

**Ufuk Akcigit**, Professor of Economics, University of Chicago

*General discussion*

**13:45 – 14:55**

#### **Paper presentations**

**Sara Cruz**, Junior Researcher at NIPE, University of Minho

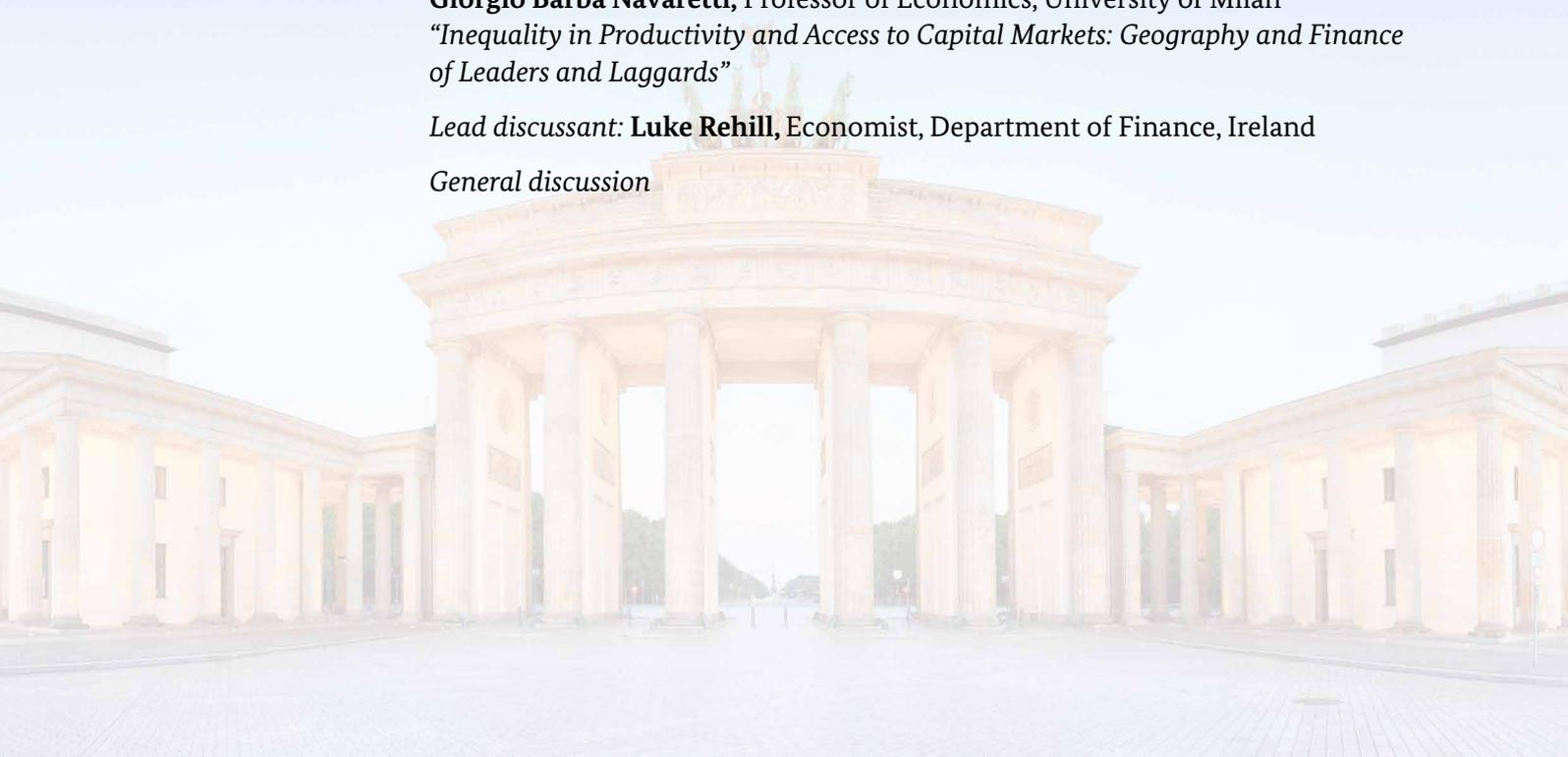
*“Exit and Recovery of Financially Distressed Firms: The Role of Management”*

**Giorgio Barba Navaretti**, Professor of Economics, University of Milan

*“Inequality in Productivity and Access to Capital Markets: Geography and Finance of Leaders and Laggards”*

*Lead discussant: Luke Rehill*, Economist, Department of Finance, Ireland

*General discussion*





### Webinar 3

#### Market power, digital transformation and the COVID-19 catalyst

*The role the digital sector – especially online platforms – has played in the rise of market power has been highly debated within academia and policy forums over the past few years. There are widespread concerns that the COVID-19 pandemic could lead to even higher concentration and mark-ups, given that competition has decreased due to market consolidation and digital firms are likely to have expanded their domination. In this context, the session will raise the following questions: Which types of firms have driven the rise of mark-ups in different countries? What role is the COVID-19 pandemic playing in these developments? What consequences do network effects and ‘winner-take-most-dynamics’ have for competition, productivity and innovation?*

#### 3 December 2020 (CET) pm via Zoom

**13:00 – 13:10**

##### **Setting the scene**

**Filippo di Mauro**, Chairman of CompNet

*Moderator: Alvaro Pereira*, Director of the Economics Department,  
Country Studies Branch, OECD

**13:10 – 13:45**

##### **Keynote speech**

**Thomas Philippon**, Professor of Finance, New York University

*General discussion*

**13:45 – 14:55**

##### **Paper presentations**

**Aitor Lacuesta**, Head of the Structural Analysis Division, Banco de España  
*“Raising Markups to Survive: Small Spanish firms during the Great Recession”*

**Bernhard Ganglmair**, Head of Junior Research Group Competition and  
Innovation, Leibniz Centre for European Economic Research  
*“Price markups, competition, and productivity: Evidence from Germany”*

*Lead discussant: Sara Calligaris*, Economist at Science, Technology and  
Innovation Directorate, OECD

*General discussion*

#### **For any queries, please contact:**

[GFP2020-Berlin@bmwi-registrierung.de](mailto:GFP2020-Berlin@bmwi-registrierung.de) or  
[productivity@OECD.org](mailto:productivity@OECD.org)

More information on the conference and registration can be found [here](#).

Social media: @GFP2020, @OECEconomy, @OECDInnovation, @BMWi\_Bund and @BMWi\_Econ