CES Lectures

Professor Nitya Pandalai-Nayar

University of Texas

Gives a series of lectures on

Global Value Chains: Implications for International Comovement, Transmission of Risk and Resilience

1 Trade, Global Value Chains and International Comovement

2 Risk and Resilience in Global Value Chains

3 Applications: Supply Chain Diversification

Dates: Wednesday, 21/01/2026, 14:15 – 15:45

Tuesday, 27/01/2026, 10:15 – 11:45

Wednesday, 28/01/2026, 14:15 – 15:45

Location: CES, Schackstr. 4, 2nd floor, seminar room (214)

Registration for PhD and MQE students: For an official recognition and confirmation of participation of the lecture in your transcript, registration at My ECONPAS the CES Lectures is mandatory. Please adhere to the registration deadline for this course as no registration is possible after this date.
If you cannot register at MyECONPAS please contact the MGSE PhD Office mgse-phd@econ.lmu.de.

CES Lectures Prof. Nitya Pandalai-Nayar

Global Value Chains: Implications for International Comovement, Transmission of Risk and Resilience

Outline

This course will introduce the new literature on general equilibrium international macroeconomic models of global value chains. These models will be used to study the role of global value chains in international comovement in GDP growth amongst countries, and the implications for how shocks transmit across countries. Subsequent lectures will tackle adapting global value chains to mitigate aggregate risk and increase economic resilience. Finally, we will study several applications of models of supply chains with risk in mitigating or amplifying climate risk, or spreading the economic consequences of the pandemic worldwide.

Lecture 1: *Trade, Global Value Chains and International Comovement*

- Ghironi, Fabio and Marc Melitz (2005) "International Trade and Macroeconomic Dynamics with Heterogeneous Firms" *Quarterly Journal of Economics*, 120, 865-915.
- Boehm, Flaaen and Pandalai-Nayar "Input Linkages and the Transmission of Shocks: Firm-Level Evidence from the 2011 Tohoku Event" *Review of Economics and Statistics* and older companion paper
- Huo, Levchenko and Pandalai-Nayar (2020) "International Comovement in the Global Production Network" *Forthcoming, Review of Economic Studies*
- Acemoglu, D., V. M. Carvalho, A. Ozdaglar, and A. Tahbaz-Salehi (2012, September). The network origins of aggregate fluctuations. Econometrica 80(5), 1977–2016
- Backus, D. K., P. J. Kehoe, and F. E. Kydland (1992). International real business cycles. Journal of Political Economy 100(4), 745–

Lecture 2: *Risk and Resilience in Global Value Chains*

- Khanna. Morales and Pandalai-Nayar (2024). Supply Chain Resilience: Evidence from Indian Firms (NBER WP 30689)
- Grossman, Helpman and L'Hullier (2023). Supply Chain Resilience: Should Policy Promote International Diversification or Reshoring? (Quarterly Journal of Economics)
- Castro-Vincenzi, Gracio, Khanna and Pandalai-Nayar (2025). Supply Chains, Trade and Economic Fragility
- Costinot Vogel and Wang (2025). An Elementary Theory of Global Supply Chains." The Review of Economic Studies 80, no. 1 (February 7, 2013)

Lecture 3: *Applications: Supply Chain Diversification*

- Castro-Vincenzi, Khanna. Morales and Pandalai-Nayar (2025). Weathering the Storm: Supply Chains and Climate Risk, NBER WP 32218
- Bonadio, Huo, Levchenko and Pandalai-Nayar (2020) "Global Supply Chains in the Pandemic" NBER WP 27224
- Bonadio, Huo, Kang, Levchenko, Pandalai-Nayar, Toma and Topalova (2025) "Global Supply Chains in the Pandemic" NBER WP 34302