

Russian chemical, food, pulp and paper and light industries in global value chains

Sergey A. Tolkachev, Dr. of Sci (Econ.), Professor
<https://orcid.org/0000-0003-3766-2246>; SPIN-code (RSCI): 4919-0657
Scopus author ID: 57206728325
e-mail: satolkachev@fa.ru

Petr V. Arefiev, Cand. of Sci (Econ.), Associate Professor
SPIN- code (RSCI): 4495-9559
e-mail: parefev@fa.ru

For citation

Tolkachev S.A., Arefiev P.V. Russian chemical, food, pulp and paper and light industries in global value chains // Market economy problems. – 2022. – No. 2. – Pp. 49-63 (In Russian).

DOI: <https://doi.org/10.33051/2500-2325-2022-2-49-63>

Abstract

Subject/topic. The article is devoted to the analysis of value creation and participation in global value chains in the chemical, pulp and paper, food, and leather industries of Russia. The subject of the study is the analysis of trends in the development of significant low-tech industries in global value chains (GCS). **Goals/tasks.** Based on the analysis, the analysis of trends in the development of significant low-tech industries in global value chains (GCS) to identify existing approaches to the classification of ongoing processes and justify the need for a systematic approach for the sustainable development of the Russian economy. **Methodology.** The methodological basis of the article consists of general scientific methods – analysis, synthesis, deduction. In the process of studying trends in the dynamics of value added in significant low-tech industries, an event-based case analysis was applied. The methodology of GCC analysis using direct and feedback links based on the «Value Added Trade» database of the Organization for Economic Cooperation and Development (OECD) was used. The correlation analysis of the indicators of direct and inverse relationships in the GCC with the indicator «National value added in gross exports of manufacturing industry» was applied. **Results.** The article analyzes various conditions and factors that create obstacles to building global value chains in the chemical, pulp and paper, food, and leather industries of Russia. Based on expert analysis of macroeconomic data and scientific publications in the field of value creation and participation in global value chains of chemical, pulp and paper, food, leather industries, the author's report on the state of industries and prospects for their development to increase the pace of value creation and participation in global value chains in chemical, pulp and paper, food, the leather industry of Russia. **Conclusions/significance.** The novelty consists in identifying trends in the process of creating added value and participating in the global value chains of the chemical, pulp and paper, food, and leather industries in Russia. It was found out that the relatively successful period of integration of industries into the GCC, which occurred in 1995-2008, was replaced by a period of exhaustion of the effective integration potential in 2008-2018. **Application.** The results of the study can be put into practical use when making managerial decisions by officials of state authorities on the implementation of the economic policy of the state for the purpose of sustainable development of the chemical, pulp and paper, food, and leather industries.

Keywords: *industry positioning, global value chains, competitive advantages, chemical industry, pulp and paper industry, food industry, leather industry.*

References

1. Andreev, P.S. (2017), “Methodology for Assessing Russia’s Performance in GVC and the Formation of Effective Value Chains with the Participation of APR Countries”, *RUDN Journal of Economics. Series: Economics*, vol. 25, no. 1, pp. 28-40.
2. Varnavskii, V.G. (2018), “International: Trade in Value Added Terms: Methodological Issues”, *World Economy and International Relations*, vol. 62, no. 1, pp. 5-15.
3. “Global Industrial Production: A Perfect Storm in 2020 and Cautious Forecasts for 2021” (14.05.2021), *Real time*, available at: <https://realnoevremya.ru/articles/212301-promyshlennoe-proizvodstvo-v-rossii-i-mire-v-usloviyah-pandemii-i-posle-nee> (Accessed 05.01.2022).
4. “RAS Presidium Meeting: Chemistry in Crisis or Developing?” (March 23, 2021), available at: <https://www.interfax.ru/russia/757427> (Accessed 05.02.2022).
5. *Human Development Index in Russia: regional differences. Executive Summary, December 2021*, available at: https://ac.gov.ru/uploads/2-Publications/analitika/2022/_2021_long.pdf (Accessed 15.06.2022).
6. Lukyanov, S.A., Drapkin, I.M. and Mariev, O.S. (2018), “Integration of the Country in Global Value Chains”, *Economic Science of Modern Russia*, no. 2, pp. 69-84.
7. “We are experiencing a monstrous experiment” (2022), available at: <https://74.ru/text/business/2022/03/14/70505441/> (Accessed 05.02.2022).
8. *Official website of JSC «CHROM»*, “About the company”, available at: <http://www.khrom.ru/company/> (Accessed 13.04.2022).
9. *Official website of JSC «Verkhnevolzhskiy tannery»*, “About the history of the plant”, available at: <https://volgatannery.ru/history/> (Accessed 13.04.2022).
10. *Official website of the company GC «Russian Leather»*, “History of the plant”, available at: <https://leather.ru/history> (Accessed 13.04.2022).
11. *Official website of the company «VKP LT LLC»*, “About the factory”, available at: <https://www.vkplt.ru/o-zavode/> (Accessed 05.02.2022).
12. Tolkachev, S.A., Teplyakov, A.Yu. and Arefiev P.V. (2021), “Macroeconomic efficiency of high-tech industries integration into the global value chains”, *Moscow University Economics Bulletin. Series 6: Economics*, no. 6, pp. 93-119, DOI: <https://doi.org/10.38050/0130010520216.5>.
13. Tolkachev, S.A. and Teplyakov, A.Yu. (2021), “What is behind the success of the Russian Federation in the fight against Covid. On the passivity of Russia in global value chains”, *Federal Internet publication «Capital of the country»*, available at: https://kapital-rus.ru/articles/article/chto_stoit_za_uspehom_rf_v_borbe_s_kovidom_o_passivnosti_rossii_v_globalnyh/ (Accessed 15.06.2022).
14. Shevchenko, S.A. (2015), “Modernization processes in chemical industry enterprises (by the example of a complex of chemical enterprises of the city of Volzhsky, Volgograd region)”, *Vestnik VSU. Series: Economics and Management*, no. 2, pp. 137-141.
15. Shirinova, L.T. (2017), “Analysis of leather production in Russia”, *Novainfo*, no. 75, pp. 23-26, available at: <https://novainfo.ru/article/14275> (Accessed 15.06.2022).
16. Bernhardt, T. (2013), *Developing Countries in the Global Apparel Value Chain: a Tale of Upgrading and Downgrading Experiences*, Working Paper 22, New School for Social Research, New York.
17. De Backer, K. and Miroudot, S. (2013), *Mapping Global Value Chains*, OECD Trade Policy Papers, no. 159, OECD Publishing.
18. “Overview of the Russian Chemical Industry” (2020), *Deloitte CIS Research Center*, available at: <https://www2.deloitte.com/content/dam/Deloitte/ru/Documents/manufacturing/russian/obzor-rynka-himicheskoy-promyshlennosti-2020.pdf> (Accessed 02.02.2022).

19. “Pulp and Paper and Packaging in the Next Decade: Transformative Change”, available at: <https://www.mckinsey.com/industries/paper-forest-products-and-packaging/our-insights/pulp-paper-and-packaging-in-the-next-decade-transformational-change> (Accessed 08.02.2022).

About authors

Sergey A. Tolkachev, Doctor of Sci. (Econ.), Professor, First Deputy Head, Department of Economic Theory, Financial University under the Government of the Russian Federation, Moscow.

Petr V. Arefiev, Candidate of Sci. (Econ.), Associate Professor, Department of Economic Theory, Financial University under the Government of the Russian Federation, Moscow.