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### Abstract

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This introductory paper to the special issue on governing global value chains (GVCs) focuses on the concept of governance as the dimension of GVCs that has received the most theoretical and empirical attention to date. After a brief introduction of the GVC concept in relation to the literature on economic globalization, we review the three main interpretations of GVC governance that have been advanced: governance as driving, governance as coordination and governance as normalization. After summaries of the four subsequent papers (by Bair, Gibbon and Ponte, Milberg, and Palpacuer), the authors offer reflections on the current state of development of GVC analysis. The unevenness and theoretical eclecticism of the GVC literature to date, particularly but not only with regard to the understanding of governance, poses the question of whether it is possible to reconcile the different approaches within a unified paradigm. If

not, then GVC analysis is better understood as a methodological approach that can be mobilized within various theoretical perspectives.

### Keywords:

global value chain analysis	governance	value	driving	coordination	normalization	

# **Notes**

- 1. The term 'global value chain analysis' is used throughout this article in a generic way to subsume 'global commodity chain analysis', which was the term commonly used to describe the same framework until around 2001–2. See Bair (2005) for a discussion of the similarities and differences between the world-systems approach to commodity chain analysis, the global commodity chain framework (GCC) and GVC analysis.
- 2. Although theoretically GVC analysis could be extended to other economic activities such as the service sector, to date most of this research has focused on either agricultural production or manufacturing (see Rabach & Kim, 1994).
- 3. Gereffi (1994) first identified three such dimensions: (1) an input-output structure, which describes the process of transforming raw materials and other inputs into final products; (2) a territoriality, or geographical configuration; and (3) a governance structure. In a later contribution, Gereffi (1995) added a fourth dimension: the institutional framework, which describes the 'rules of the game' bearing on the organization and operation of chains.
- 4. The main factors playing a role in the distribution of returns between owners and labour were said to remain exogenous to chains: national labour market conditions and the productivity and skill composition of supplying-firm labour forces (Wood, 2001).
- 5. For a review of this literature as it has been applied to the coffee industry, see Gibbon (2007, pp. 59–60, 68–70).
- 6. In a recent co-authored paper on the relationship between global buyers and local producers in Korea and Taiwan (Hamilton & Gereffi, 2008), Gereffi has returned to the construct of the buyer-driven commodity chain, providing support for Sturgeon's claim

that the new typology of governance proposed by Gereffi, Humphrey and Sturgeon (2005) is not intended to replace the GCC framework's original buyer-driven versus producer-driven distinction.

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