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# README: Rauch Classification of German GP 2009 Product Codes

## Overview

This dataset contains a machine-generated classification of products from the German **GP 2009 (Güterverzeichnis für Produktionsstatistiken)** according to the **Rauch classification** scheme introduced by James Rauch in:

*Rauch (1999): "Networks versus markets in international trade", Journal of International Economics, 48(1), 7–35.*

Each product description is assigned to one of three categories:

1. **Organized exchange** goods
2. **Reference priced** goods
3. **Differentiated** goods

The classification aims to distinguish how goods are typically traded on organized markets e.g., via commodities markets, based on reference prices, or through relationship-specific channels.

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## Methodology

- The categorization is based on the German GP 2019 product definitions
- Each description was submitted to OpenAI's GPT-4 model, which was prompted to assign the appropriate Rauch category (1, 2, or 3)

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## File Structure

The output file contains the following columns:

Column Name	Description
LineNumber	Global row index across all chunks
GP2019Nr	The product code as a string
Rauch_category	Predicted Rauch classification (1–3)
Description	Original product description in German