SMART-LERECO SEMINAR

Patrick Sevestre

(Université Paris I)

" Assessing export competitiveness at the very micro level: Lessons from matched Belgian and French data "

Abstract:

This paper proposes a novel approach to measure price competitiveness on foreign export markets at the very micro level, and assesses its impact on exporters' performances, Quasi-merging French and Belgium microeconomic datasets on production and trade transactions, this paper measures price competitiveness of French exporters at the product level by their position in the price distribution on the Belgian export market. We estimate a model inspired from Helpman, Melitz and Rubinstein (2008). First, we verify that among French firms, only those with the highest productivity-to-wage ratio can afford the fixed cost to export. Second, conditional on exporting, the position of French firms product prices into that of the set of competitors on the local Belgian market is crucial to explain export quantities.