

Can export promotion seminars work for SMEs? Evidence from a randomized controlled trial in Vietnam

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Abstracts

This paper investigates the impact of informational and motivational seminars for export promotion targeting small and medium enterprises (SMEs) in the traditional apparel and textile clusters in Vietnam. In order to control for the self-selection biases, we conducted a randomized control trial and invited randomly selected firms to one-day seminars. Because only some of the invited firms participated in the seminars, we employ a 2SLS approach in which dummies for random invitation are used as instruments for the participation. We find that the impact of seminars on SMEs' perception of and preparation for export is mostly insignificant, despite participants' satisfaction with the seminars. Since most of our target firms are at the early stage of development in a less developed country, our findings suggest that provision of information to exporters does not necessarily facilitate trade if the productivity level of firms is not sufficiently high. Thus, the government in less developed countries should prioritize productivity improvement before providing informational support to promote exports.

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