

Firm Productivity and Exporting in the Wholesale Sector:  
Evidence from Japan

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**Abstract**

An emerging literature shows that wholesale exporters play a large role in international trade. Wholesalers provide intermediate services for manufactures and account for substantial portion of total export values for the US and Italy. This study tries to provide the first evidence on the link between firm productivity and exporting by wholesalers, using a Japanese firm-level data. Empirical analysis reveals that wholesale firms are heterogeneous and that exporters are more productive than non-exporters in the wholesale, as in manufacturing. In addition, the analysis provides the evidence that multinational exporters tend to be more productive than non-multinational exporters and those multinational exporters outperform non-multinational exporters in terms of other measures such as average exports, export-sales ratio, and the extensive margin of exports. These results are in line with the firm heterogeneity model of exports and are similar with the previous empirical studies for manufacturing.

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