Export market participation and Firm performance-Evidence from Vietnamese manufacturing small and medium enterprises

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Abstract

This paper investigates the characteristics of exporters versus that of domestic firms using a database on Vietnamese manufacturing small and medium enterprises. Employing an unbalanced panel of firm-level data for three years 2004, 2006 and 2008, we find evidence of superiority among exporters. Exporters were better than their domestic counterparts in terms of size and productivity already before they entered the export market. In other words, they self-select into exporting.

Key words: Productivity; International Trade; Vietnam