

報告番号

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主 論 文 の 要 旨

論文題目

The Impact of Exporting on Productivity in ASEAN Developing Countries: A Firm-Level Analysis

(ASEAN 開発途上国における輸出活動が生産性に及ぼすインパクト：企業レベルデータを用いた分析)

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論 文 内 容 の 要 旨

1. Introduction

According to the trade theories and many economists, trade openness and export could lead to productivity and economic growth. ASEAN economies also rely on the strategy of export-led growth. ASEAN has an open market and aims to integrate the region as a competitive regional economy. An open economy and export could lead the capital inflow to economic growth and the productivity increase from transferring knowledge and technology from foreign firms that come to invest or exporting to the global market. The export share to GDP from the ASEAN integration in 1967 until the present increase in GDP. Exports have become an essential driver in the economic growth in the ASEAN developing countries.

2. Statement of Problem

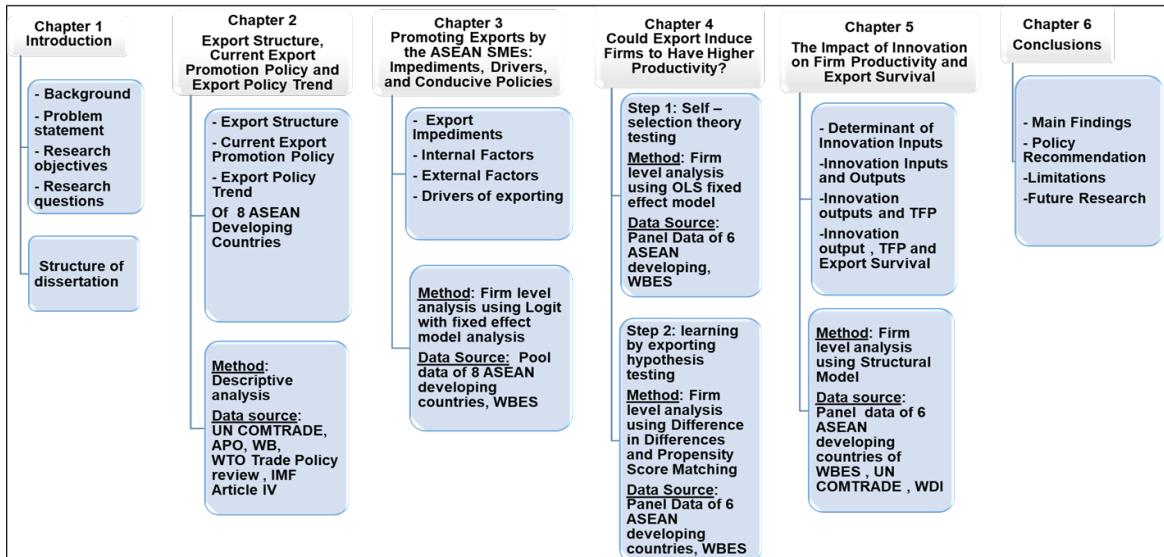
I believe that exporting could lead firms to learn and increase productivity. However, according to the IMF Article IV report 2019-2020, ASEAN developing countries' productivity, either total factor productivity or labor quality from the Asian Productivity Organization's (APO's) database of all eight ASEAN developing countries remain tepid.

Many previous studies have shown that exports could increase productivity through knowledge and technology transfer from a foreign company. However, micro-analysis still lacks export impact analysis on the exporting firm productivity in ASEAN developing countries. Therefore, this dissertation examines issues at the firm level and contributes to the policymaker at the regional level of ASEAN. The conclusions can help to rethink an export promotion policy to increase productivity and economic growth.

3. Main Findings

This dissertation can be divided into six chapters as the bellowed figure.

Structure of Dissertation



This section will discuss the main findings based on the research question of each chapter.

Chapter 2 explores each ASEAN developing countries' export structure, current export promotion policy, and export policy trends related to supporting productivity.

1. What is the main challenging problem of the export structure of ASEAN developing countries? The export-share-to-GDP is steady in ASEAN developing countries. However, ASEAN developing countries have an export structure problem. Export products rely on a single product or natural product.

2. What are the primary tools that the government use for promoting the export of ASEAN developing countries? They have a standard export promotion policy categorized into three primary tools. First, taxation and the other type of tax exemption is ASEAN's special economic zone to attract foreign investors to invest in a special economic zone. The second tool is government expenditure through the grant and export subsidy. Finally, the third tool that governments implement through a state-owned financial institution is export finance.

3. What is the export promotion policy trend related to supporting productivity in ASEAN developing countries? The government planned to diversify more export production bases and promote productivity besides promoting an export market base through multilateral or bilateral trade. As a result, ASEAN developing countries target more supporting exporting products in the higher technology sector.

Chapter 3 will first explore firms' determination to export by focusing on the SMEs, which account for 90 % of total enterprises in ASEAN developing countries.

1. What are the impediments to exports faced by SMEs in ASEAN? The major trade obstacle for SMEs and large is the trade facilitation and transport infrastructures, such as transportation, customs, and trade regulations. Educational attainment of labor is also a major obstacle for the entire sample of SMEs. Access to finance is a significant obstacle for SMEs rather

than large firms.

2.What are the key drivers for SMEs' exporting activities in ASEAN? The study finds that foreign ownership has the highest marginal impact for SMEs in ASEAN developing countries to participate in the export market, followed by access to ICT reflected in the indicator of access to emails with suppliers or customers and obtaining an internationally recognized certification. Moreover, the results suggest that SMEs with access to finances will have higher probabilities to enter export markets. This dissertation has a new contribution to focusing more profoundly on the financing source for exporting SMEs in ASEAN developing countries. Source of finances from non-bank financial institutions seems to increase the probability of exporting more significantly than the impact of finances from banks and informal sector sources, reflecting an existing obstacle for SMEs in accessing formal bank finances in the context of the eight developing ASEAN economies.

Chapter 4 investigated the relationship between export and firm productivity at a firm level.

1.Do exporting firms in ASEAN developing countries have self-selection to participate in the export market? This study used the panel database from the WBES and adopted the OLS fixed effect to test this hypothesis between two types of firms: new entry firms and never-exporting firms. The results suggest that exporting firms in ASEAN developing countries have self-selection to export, which means that large firms with higher productivity and high foreign ownership are more likely to enter the export market.

2.What have exporting firms in ASEAN developing countries learned from exporting?

This section adopts the propensity score matching model to match the same firm characteristics between the new entry and non-exporting firms and then tests if exports can induce the firm to have higher productivity. After matching, the results suggest that exporting firms in ASEAN developing countries do not learn from exporting, thus; reflecting their productivity; TFP and labor productivity are not significantly different between new entry and non-exporting firms.

Chapter 5 extends the study from Chapter 4 that exporting does not induce firms to increase their productivity; therefore, this chapter explores what conditions can help firms in ASEAN developing countries increase productivity.

1. How does innovation impact firm productivity? First, studying the innovations' determination which is the R&D expenditure. The dissertation shows that a medium to the high technology level of the sector (chemicals and electronic products), exporting, and firm size are key factors predicting whether firms engage in R&D expenditure. Higher technology firms are more likely to spend more on R&D. Second, study the relationship between innovation input and innovation output. R&D expenditure has a significant relationship with both product and process innovation. Third, study the impact of the innovation output on the total factor productivity (TFP). The study shows that process innovation is significant for TFP and other factors are foreign ownership and imported license machine, but product innovation is not substantial to the TFP of the

firm.

2. How does firm productivity affect a firm's export survival? We studied the relationship between TFP and firm export survival to see the linkage between TFP and export survival by using the estimated TFP from the first research question in this model to address endogeneity. The results suggest that the firm needs to have a high TFP to survive in the export market. It is consistent with the existence of the self-selection hypothesis of exporting firms in ASEAN developing countries. **Chapter 6**, based on the finding of the dissertation, the policy recommendations through the export promotion policy that the ASEAN developing countries can be rethought to achieve productivity integration and economic growth as follows.

1. Regional collaboration to strengthen trade facilitation- ASEAN countries can have more regional collaboration in custom and cross-border infrastructure to help promote exports within the ASEAN region.

2. Export promotion policy to promote SMEs' export activities- This research suggested that exporting cannot help the firm to increase productivity significantly. However, exporting can help the firm to survive from annual sales and employment that are increasing. Therefore, an export promotion policy is important. First, improve SMEs' access to finance, mainly finance for working capital; it is vital for SMEs in ASEAN developing countries to participate in the export market. Moreover, determining how the government policy designs the policy that supports foreign investors to invest in SMEs remains challenging because foreign ownership is most often in a large firm; foreign ownership in SMEs remains low and similar between exporting SMEs and non-exporting SMEs.

3. Sectoral policy of SMEs - The food and beverages sector of ASEAN developing countries is the resource-based sector. Foreign ownership is not the primary driver for SMEs in this sector to participate in the export market, but access to finance is the primary factor to drive SMEs in this sector to participate in the export market. - The textile sector for the ASEAN developing countries was studied via firm surveys in Cambodia—most of them are the FDI; therefore, foreign ownership is the primary significant factor in driving SMEs in this sector to export. - Electronic products and chemicals are in the high technology level of sector and are sound in the ICT; there are capital-intensive industries. Therefore, foreign ownership and access to finance are the most crucial factors for SMEs in this sector and participation in the export market, not the ICT.

4. Export Promotion Policy to Improve Firm Productivity -To promote firm productivity through export promotion policy, a government should not focus on subsidizing current exporting firms at the expense of less productive domestic firms- Instead, a government can help current exporters learn from exporting. For example, through export-supporting programs, a government can help an exporter improve its product quality to increase innovation and knowledge.

5. The government supporting the innovation can help firms become more productive with their export performance- The high technology level of the sector promotes innovation.

Moreover, government supporting process innovation is more applicable than product innovation in the ASEAN developing countries. While foreign ownership cannot identify firms' innovation in ASEAN developing countries but can help improve firm productivity. Imported licensed machines, education, and labor skills are significant drivers to become more productive and keep competitiveness in the export market.