



***“Learning from Offshored Production:  
Evidence from Exporters’ Performance.”  
(in English)***

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### Abstract

Recent studies in international trade report that new exporters often start selling small amounts and cease exporting in the first year. These findings reflect the substantial amount of uncertainty facing new exporters. Export processing (EP) firms, which produce for foreign clients who offshore assembly processes, convey information about foreign demand. In this paper we examine the existence of positive information spillovers from nearby EP activities that enhance export performance of new non-EP (regular) exporters. Using transaction-level data for the universe of exporters in China, we find that the prevalence of EP activities enhances export performance of regular exporters in the same city, in terms of initial sales on entry and survival beyond the first year of exporting. Information spillovers are found only for firms exporting in the same industry or to the same destination country, and are weaker in markets for which knowledge about demand is more difficult to acquire. We empirically verify that these results are independent of potential spillovers through the credit-constraint or the imported-material channels.

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**Venue:** SO322, Dorothy Y. L. Wong Building

### Biography

Dr. Heiwai Tang is an Assistant Professor in the Department of Economics at Tufts University, currently taking a sabbatical leave at the MIT Sloan School of Management. He is a research fellow at Centro Studi Luca d'Agliano in Italy. His research focuses on the institutional and political determinants of international trade and foreign direct investment, as well as the intersection between organizational economics and international trade. Before joining Tufts, he was an Assistant Professor of Economics at the HKUST Business School. Recently, he was awarded the Nuffield Social Science Grant for his research on the determinants of vertical integration in China's processing exports, and the Tufts University Faculty Research Award for his studies on intermediation in international trade. He received the PhD in Economics from MIT.

**ALL ARE WELCOME**

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