NEWSLETTER No. 26

CompNet The Competitiveness Research Network

CompNet's Release of the 6th Vintage Dataset

The 6th vintage of the CompNet Dataset is now open for applications via the data request form on the CompNet homepage[1] and includes several new countries (total of 18 EU countries), new indicators, joint distributions and an extended timespan.

The new dataset consists of micro-data in the form of distributions at different levels, e.g. the NACE-2-digit-sector level, enabling micro-funded research in an unprecedented way. This relies on the many countries covered using the same common methodology for the collection and processing of data, thus, enhancing comparability. The hereby achieved harmonization extents to industry coverage, variable definitions, target firms, use of deflators, treatment of outliers, and estimation methodologies across countries. Additionally, by only circulating distributions, confidentiality at the firm-level is ensured.

The new code entails efficiency gains, better robustness, the correction of small glitches, a better weighting scheme and improved confidentiality checks. Other new features are for example: a module on distressed firms and their characteristics, job creation and destruction rates allowing (e.g.) for cross-sector analysis and a new aggregation level, i.e. the NUTS2 regional level.

New Information Service offered by CompNet

The Competitiveness Research Network is glad to present a new information service that will be complementary to the information material provided online on the Network's webpage. CompNet is introducing an on-site information service which consists of a presentation from CompNet representatives to interested institutions in order to provide a direct and practical explanation of the CompNet's dataset potential in terms of research output. This session will incorporate a more technical introduction to the current vintage of the CompNet dataset with some topic driven "hands-on" examples and display relevant research works based on the CompNet dataset. This new service

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[1] Access will be granted approximately in the beginning of next year.

* to be released in early November

The presented research work represents an excellent group of frontier work in the field of localization and productivity. The research was mainly focused on subjects such as spillovers from FDI on productivity in cross-border regions, the urban productivity premia for firms, spatial proximity and its effect on TFP, endogenous productivity growth and international trade, natural resource heterogeneity, and firms' entries and its effect on knowledge spillovers.

ESRI-CompNet Research and Data Workshop, 23th October

The joint workshop of CompNet and the Economic and Social Research Institute (ESRI) focused on "International Trade and Productivity" and the role of granular data for research in this field.

The presented research papers highlighted the usefulness of granular data for understanding technology transfer or export survival.

Other sessions of the workshop focused on the recent work and achievements of the Network and the presentation of the 6th Vintage of the CompNet dataset.

represents a great opportunity to introduce and answer the high interest in CompNet and our dataset from potential users.

Joint CompNet-ENRI-IMF-EIB Conference

Under the topic "From Micro to Macro: Market Power, Firms' heterogeneity and Investment" the Joint CompNet-ENRI-IMF-EIB Conference will take place in March 2019 at the European Investment Bank in Luxembourg.

We ask whether and to what extent the rising market power of certain firms and, more broadly, the heterogeneity at the firm level, matter for these aggregate outcomes. How have market power and competition among firms changed over time? How do input and output market structures, and particularly their effects on misallocation and innovation, affect economy wide productivity growth, inequality, factor compensation and welfare? What does the presence of "superstar" firms imply for aggregate outcomes and the political economy? How do international competition and technological change affect market power, inequality, investment decisions and aggregate productivity growth? Is market selection at the product/firm level functioning? If not, what are the obstacles to it and what are the implications for macro level outcomes, notably for investment? Do concentration and market power have a significant impact on investment decision of firms and on aggregate investment?

CompNet, the European Network for Research on Investment (ENRI) and the IMF are jointly calling for papers until the 15th of December, tackling one or more of these themes. Preference will be given to papers that have a significant empirical content and/or those with direct policy relevance. For further information and the submitting of papers, please visit the following link.

New publications based on CompNet data: Article in the Financial Times

On August 15, 2018, the Financial Times had cited a leading work from Autor et al. (2017) within an article on the increasing dominance of the so-called superstar companies in many US sectors. The authors exploit for its analysis many databases, among which we can find our CompNet dataset. They analyze micro panel data from the U.S. Economic Census and several international sources to document how the rise of these kinds of highly profitable "superstar" firms could lead to a fall of the labor's share in firm value-added and sales. Along with other datasets, the paper makes use of CompNet data to examine the relationship between sales concentration and the labor share internationally.
The article and paper are available via the following link.