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Visiting Fellow at the National
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“Chairman’s Address”

CompNet 13th Annual Conference

European Commission, Brussels

June 29th 2017

Welcome

1. CompNet: Where do we stand
2. Some interesting results
3. The way forward

CompNet is now a fully European research network, involving the top European institutions



European Central Bank



European Commission



European Investment Bank



European Bank
for Reconstruction and Development

European Bank for
Reconstruction and
Development



Halle Institute of
Economic Research



Tinbergen Institute

In addition to a number of National Central Banks
and National Statistical Institutes

CompNet new governance structure

Steering Committee

- In charge of long-term management
- Review of Network activities
- Budget oversight
- New memberships management
- Oversight of Executive Committee activities
- Oversight of overall activities

Executive Committee

- Daily management of the network

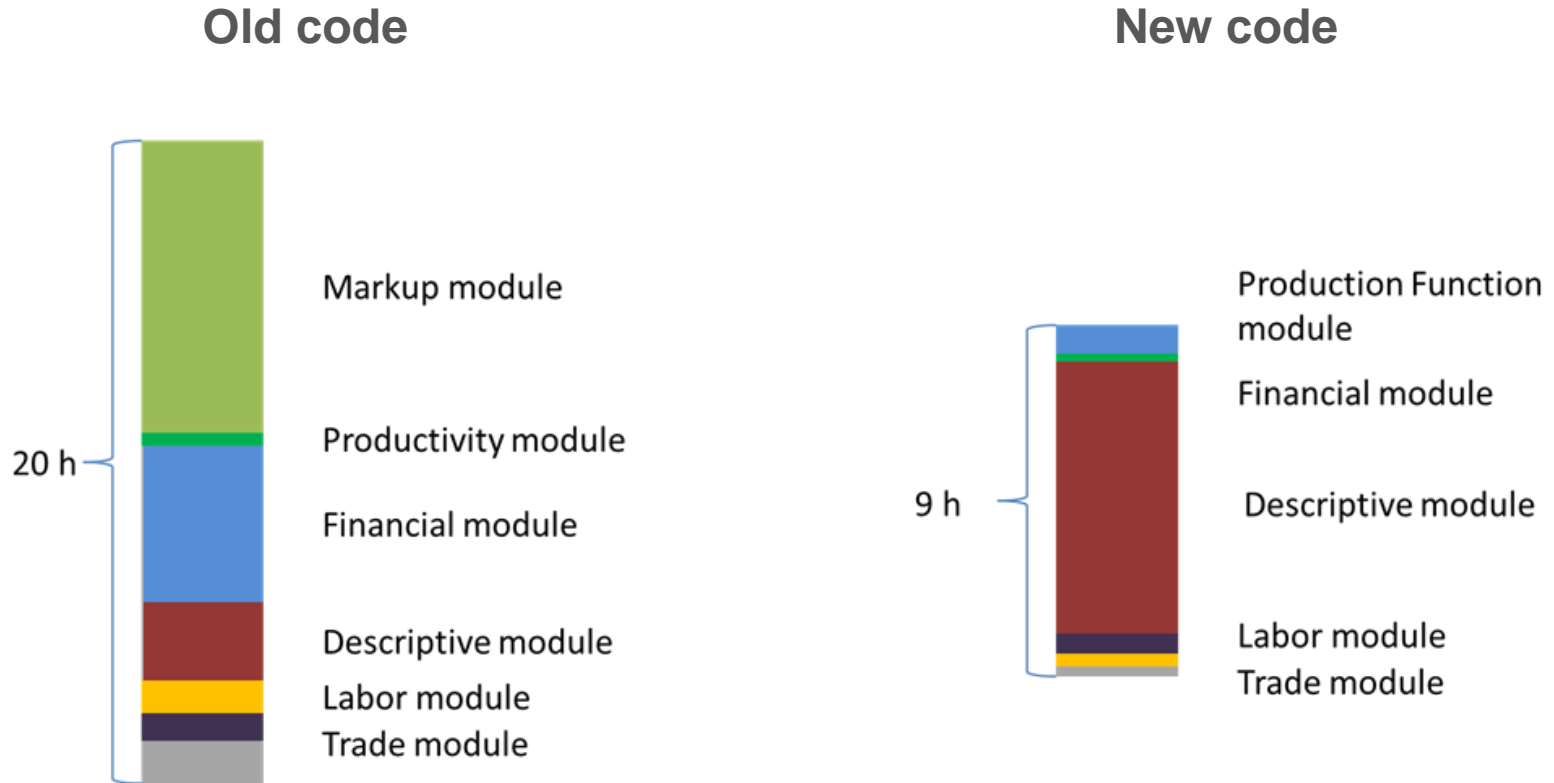
Advisory Board

- Guidance on long-term research objectives

Last year progresses:

- Consolidation of new structure
- Improvement of code
- Preparation for new database collection
- In particular,

Shorter running time



Note: Running time on Portuguese firm-level data downloaded from Amadeus, available for the period 2006-2010 and including about 170 000 firms per year on average

New indicators:

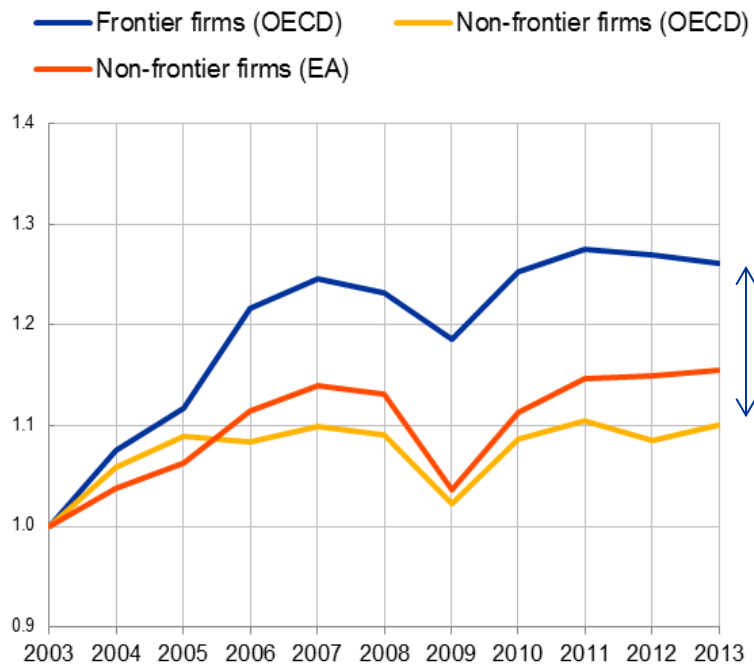
- An alternative indicator for resource misallocation;
- Job creation & job destruction;
- Non-viable firms (“Zombie” firms).

Increased cross-country comparability:

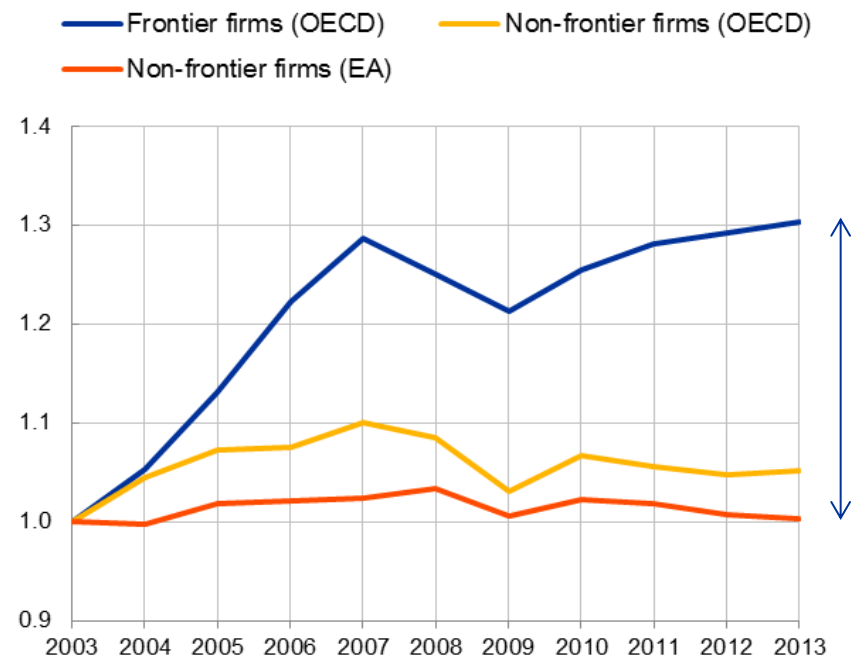
- Improved weighting system;
- Improved use of deflators;
- Improved use of PPPs.

Labour productivity divergence increases

Manufacturing



Services



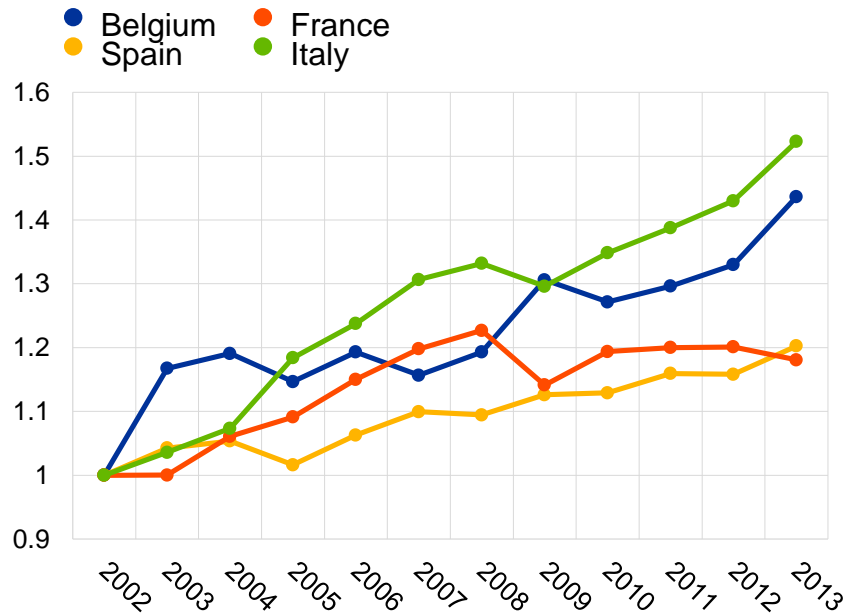
Note: (annual labour productivity growth, 2002=1)

The Euro Area non-frontier productivity dynamics is computed as productivity growth of the median firm in each 2-digit sector aggregated with value added weights to the country level. Unweighted average of developments in BE, FI, FR, IT and ES. Sample is based on firms with more than 20 employees.

Results are mixed in terms of resource allocative efficiency

Capital Misallocation is increasing

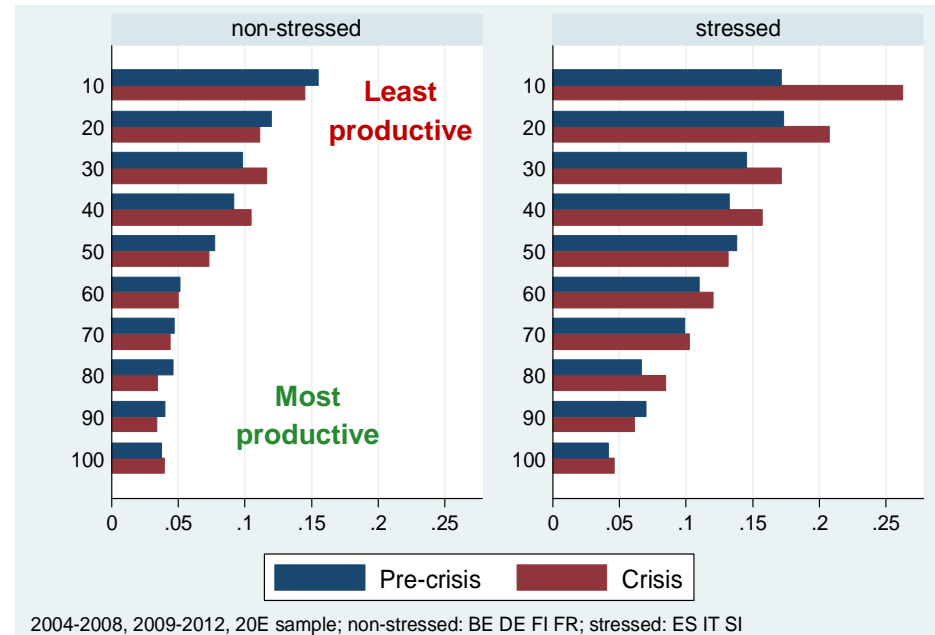
(Hsieh and Klenow index)



(dispersion in the marginal revenue product of capital across firms, 2002=1)

Financial constraints appear to be relevant for non-productive firms

Share of credit-constrained firms by deciles of labor productivity



10 Working papers from last year...but many more in the pipeline

	Title	Authors	Date of publication
60 th	<i>Firm growth in Europe: an overview based on the CompNet labour module</i>	Cristina Fernandez, Roberto García, Paloma Lopez-Garcia, Benedicta Marzinotto, Roberta Serafini, Juuso Vanhala, Ladislav Wintr	21/04/2017
59 th	<i>A panel VAR analysis of macro-financial imbalances in the EU</i>	Mariarosaria Comunale	24/02/2017
58 th	<i>The drivers of revenue productivity: a new decomposition analysis with firm-level data</i>	Filippo di Mauro, Giordano Mion, Daniel Stöhlker	03/02/2017
57 th	<i>Banks credit and productivity growth</i>	Fadi Hassan, Filippo di Mauro, Gianmarco I.P. Ottaviano	01/02/2017
56 th	<i>Capital and labour (mis)allocation in the euro area: some stylized facts and determinants</i>	Elisa Gamberoni, Claire Giordano, Paloma Lopez-Garcia	18/11/2016
55 th	<i>Crisis severity and the international trade network</i>	Marianna Endrész, Frauke Skudelny	25/10/2016
54 th	<i>How you export matters: the disassortative structure of international trade</i>	Andreas Joseph and Chiara Osbat	12/09/2016
53 rd	<i>Is corruption efficiency-enhancing? A case study of nine Central-Eastern European countries</i>	Elisa Gamberoni, Christine Gartner, Claire Giordano and Paloma Lopez-Garcia	29/08/2016
52 nd	<i>How competitiveness shocks affect macroeconomic performance across euro area countries</i>	K. Staher and R. Vermeulen	15/07/2016
51 st	<i>The Role of Price and Cost Competitiveness on Intra and Extra Euro Area Trade of Euro Area Countries</i>	E.Bobeica, S.Christodouloupoulou and O.Tkačevs	15/07/2016
50 th	<i>Trade in Value Added: do we need new measures of competitiveness?</i>	Kirsten Lommatzsch, Maria Silgoner and Paul Ramskogler	13/07/2016

Frequent quotes of CompNet work in the press...and in official reports

Financial Times (January 13th 2017)

Beware the zombies behind the world's productivity problem

Premium

Companies that too easily cheat death take up a frighteningly large part of the economy

Bloomberg News (March 21st 2017)

EU Trade Restrictions Would Hamper Productivity Growth, ECB Says

By **Carolynn Look**
March 21, 2017, 10:00 AM GMT-1

- Exporting firms tend to be larger and more productive
- Trade barriers would lead to less efficient input allocation

Trade restrictions in the European Union would lower productivity growth, the European Central Bank said.

Corriere Della Sera (January 13th 2017)

LA BANCA CENTRALE EUROPEA

La spinta di Draghi: più innovazione per affrontare la produttività debole

El País (March 26th 2017)

TRIBUNA

Productividad y función empresarial

Cada vez queda más claro que no hay creación de empleo sin una mejora en la capacidad de hacer más

funcionamiento de los mercados de productos y factores. Son conclusiones similares a las destacadas recientemente por el presidente del BCE (*Moving to the Frontier: Promoting the Diffusion of Innovation*) subrayando cómo la difusión

ECB Economic Bulletin



Economic Bulletin

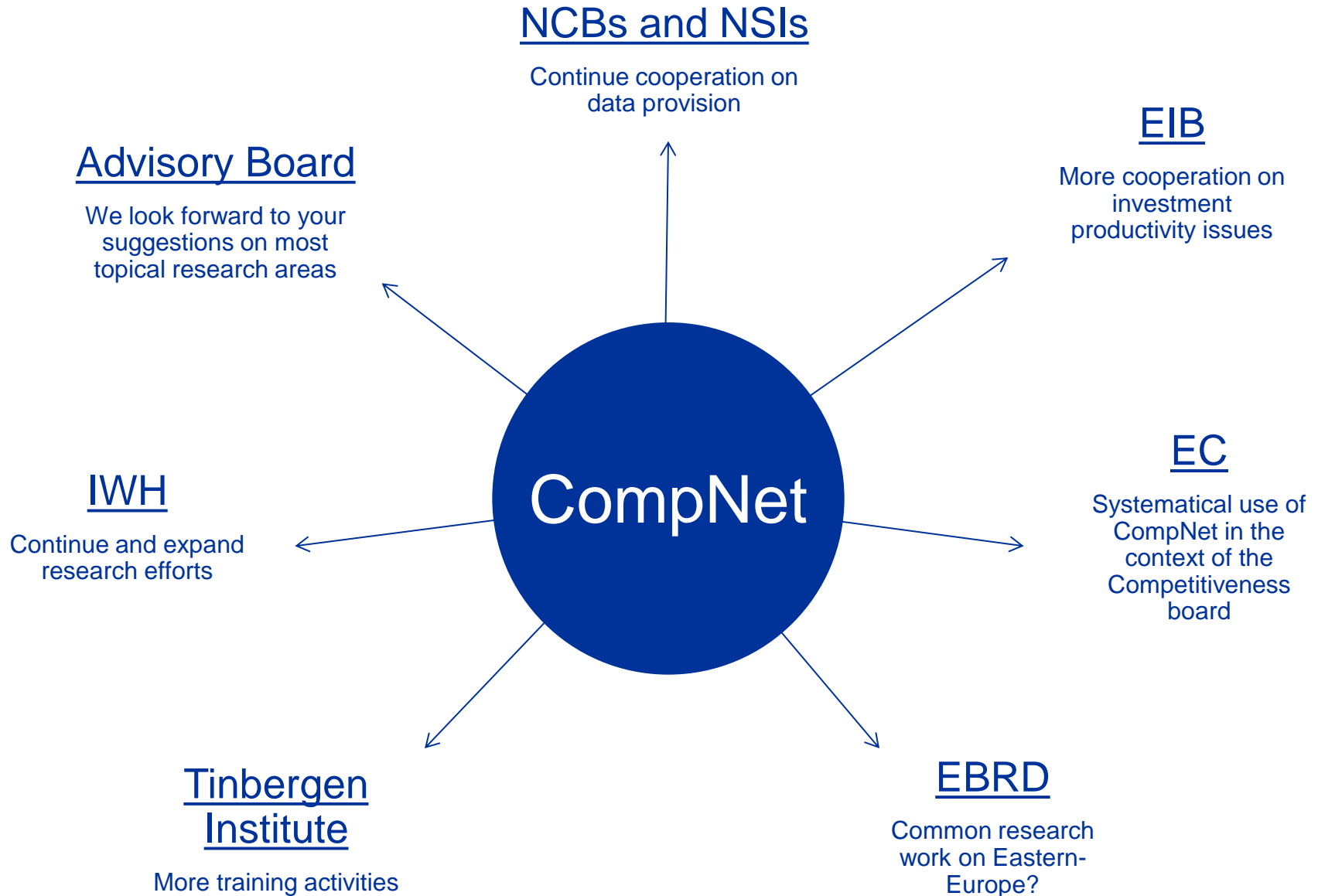
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ISTAT Annual Report 2017



**RAPPORTO
ANNUALE 2017**
La situazione del Paese

The way forward: ...creating deeper interactions within existing members



Dev
further
synergic

With
acad
commu (O

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Ultimate goal:
contribute to a
much deeper use
of firm-level data
for policy making

Thank you and

**Enjoy the
conference**